

# UCSC to convert Holiday Inn entirely into campus housing

By Ken McLaughlin  
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Banana Slug Hotel. UC-Surf City Lodge. Spring Break Inn.

Those are a few possible nicknames emerging for the Santa Cruz Holiday Inn — now that the University of California-Santa Cruz has leased all 172 hotel rooms for the next 10 years to house 250 students plus university guests.

The agreement with the owners of the Holiday Inn will allow the university to convert the Ocean Street hotel into a student residence hall, combined with university guest lodging and a conference facility.

The lease helps address the uni-

versity's growing need for affordable student housing — but it will cost the city a half-million dollars in lost tax revenue.

Living in local hotels and motels is nothing new for UC-Santa Cruz students. The university already has a program, called the Slug Housing Partnership Program (named after the banana slug, the cuddly school mascot), that allows students to stay in local vacant hotel and motel rooms during the fall and winter.

Since 1998, UCSC has leased a block of rooms from the Holiday Inn. This academic year, the univer-

See **HOTEL**, Page 11A

FROM PAGE ONE THURSDAY, FEBRUARY 1, 2001 SAN JOSE MERCURY NEWS

## HOTEL | City leaders hope to reach a compromise with UCSC

Continued from Page 1A

city is leasing 53 rooms, housing 83 students.

But under the new \$19.5 million agreement, the entire inn will be used by the tax-exempt university for student housing (148 rooms) and short-term accommodations (24 rooms) for faculty, staff and other visitors to the campus. The university plans to honor the motel's contract with the Hotel Employees and Restaurant Employees union.

Those accommodations are just fine with students.

"The pool's heated. We have a workout room and a jacuzzi and a sauna to relax in," said Terry Page, a senior majoring in marine biology.

"We also got cable TV, HBO and weekly maid service," said Sonjia Miles, a senior theater-arts major whose only concern was the asbestos in the popcorn-like ceilings.

"They tell us not to touch the ceilings," she said, "but I keep having to pick up bits of the ceiling from the carpet."

But while students and the university like the arrangement, politicians and bureaucrats at Santa Cruz City Hall are lamenting the loss of one of the city's top sources of tax revenue — a half-million dollars in hotel and property tax money the university doesn't have to pay. The city is scrambling to see if it can legally stop the conversion or at least come up with a compromise plan.

"There was no consultation with us and no consideration about how it would impact city services," said Assistant City Manager Martin Bernal. "It wasn't done in a cooperative fashion. We were told it was all done and approved. That doesn't seem like a reasonable way of working with the community to take away a key revenue resource."

### Giving city what it wanted

UCSC spokeswoman Elizabeth Irwin, however, defended the university's action, saying that the university was giving the city what it wanted.

"City officials have been among the very articulate voices urging the university to accommodate the need for housing its students," she said, noting that the 12,124-student university provides 47 percent of students with housing — the highest percentage in the UC system.

Yes, city officials concede, the city has been pressuring the university to provide more housing for UCSC students to keep them from competing with full-time residents in Santa Cruz's tight, expensive rental housing market.

But, the officials say, the deal isn't exactly what they had in mind. The Holiday Inn, they note, is one of only two major hotels in Santa Cruz. The other is the beachside West Coast Santa Cruz Hotel, formerly the Dream Inn.

"I hope they don't take that one from us, too," said Santa Cruz Mayor Tim Fitzmaurice.

At a regularly scheduled meeting with Chancellor M.R.C. Greenwood and other UCSC leaders, Fitzmaurice and other city officials were told last Friday morning about the agreement.

The flap is the latest town-gown friction that has become increasingly testy in recent years. The biggest issues almost always have something to do with growth or the environment. In 1999, for example, the city threatened to sue the university when it proposed building a huge parking structure that city politicians argued wouldn't blend well with the campus redwoods and would cause more teachers and students to drive, rather than ride a bike or take a bus, to campus.

A half-million dollars might not seem like a lot in a city with a \$46

million general fund. But only a small portion of that is considered "discretionary."

The city, for example, spends about \$2 million a year on social services — so those might have to be cut.

"You could fund seven police officers with that half a million dollars," Bernal said.

### Mayor caught in middle

Fitzmaurice is a mayor stuck in the middle since he's also a writing instructor at the university. But he's hoping for some sort of compromise.

"We have two big industries in town — the education industry during the winter season and the tourist industry in the summertime," he said. "Somehow this idea is out of balance."

The current plan calls for using the "inn" during the summer for accommodations to those attending university conferences. But Fitzmaurice said he's hoping UCSC officials will agree to allow the facility to be used as a private, tax-generating hotel during the summer.

"It's quite possible that the university has all the cards and all the law on its side," he said. "But I hope we can work something out amicably."

Students say the Holiday Inn already is beginning to feel less like a hotel and more like a dormitory, complete with microwaves and re-

frigerators.

Miles moved in when the city first took over part of the hotel. Gradually, she said, the UCSC wing at the Holiday Inn developed a spirit of its own.

Ben Leduc-Mills, a sophomore from Cupertino who is the residential adviser of the UCSC wing, said dorm residents recently staged a "casino night" and just returned from a Tahoe ski trip.

Page's biggest gripe was the transportation system. It now takes her from 45 minutes to an hour in the morning, and sometimes as long as an hour and a half at night when the buses run less frequently. The

campus is three to four miles away.

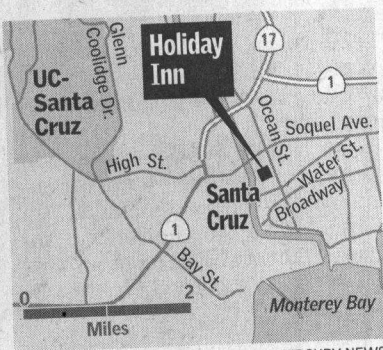
"We have to have a shuttle," she said, even though university officials have argued that increased use of the county bus system was an advantage to the Holiday Inn conversion.

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JUDITH CALSON — MERCURY NEWS

University of California-Santa Cruz theater-arts major Sonjia Miles lives at the downtown Holiday Inn while attending school.



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