## Groups Continue Battle Over Hostel

Beach Hill neighbors lose one suit, have another pending

BEACH Hill residents opposed to turning Carmelita Cottages into a hostel will continue their legal battle, though the City Council's approval of the conversion was upheld in court last week.

The residents had sued the city for giving the Santa Cruz Hostel Society permission to change six 100-year-old cottages into lodging for travelers.

"We still allege that the city has breached the contract by approving the site for use as a hostel," said Tim Morgan, the neighbors associaton attorney. The group has a second suit pending against the city, which Morgan expects to be heard by spring.

Should that suit fail as well, Morgan said his clients could appeal the decision.

In the meantime, the hostel society plans to pursue efforts to obtain a design permit and a lease agreement with the city. "Our goal is to have the hostel open and operating by summer," said Jane Wade, president of the society's board of directors.

Visiting Superior Court Judge W. J. Harpham ruled that hostels are compatible with using the property for public park purposes.

But the neighbors contend that a hostel would not meet the stipulations of Lottie Sly's will, which deeded the property and six 100-year-old cottages to the city under the condition that it be used as a public park and a quiet, restful place for city residents. They fear oversaturation of their neighborhood.

As proposed by the society, the lodgings would open in late afternoon and close in early morning. During the day the property would be open for use as a city park.

The society expects to receive funding by July to begin renovation on the vacant cottages, said Wade. The society plans to develop a 45-bed facility over a 10-year period.