

County considers getting involved with Lucerne Hotel sale

Contributed by Elizabeth Larson

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LAKEPORT ‐ The Board of Supervisors ‐ sitting jointly as the Lake County Redevelopment Board of Directors ‐ will consider on Tuesday whether or not to take an active part in helping the owners of the Lucerne Christian Conference Center sell the historic Lucerne Hotel or if the county should consider purchasing the building using redevelopment funds.

The meeting begins at 9 a.m. in the board chambers at the Lake County Courthouse, 255 N. Forbes. TV Channel 8 will broadcast the meeting live.

The discussion on the center is scheduled to begin at 11:15 a.m.

As Lake County News reported last month, the owners of the center and its Castlepoint Ministries announced their intention to close the building and put it on the market after demand for Christian camps and retreats in the coming year dropped off sharply.

The conference center, located at 3700 Country Club Drive, is housed in the historic Lucerne Hotel, the construction of which began in 1926.

The 75,000 square foot building has 77 guest rooms and sits on several parcels of land totaling about seven acres, according to a report to the Board of Supervisors from county Deputy Redevelopment Director Eric Seely.

The building has three main floors and seven floors in all when including its four-story tower, Seely noted. “It's one of the largest and tallest buildings in Lake County and certainly one of the most historic.”

Seely said county staffers have met with the owner's representatives to discuss “possible ways in which the Redevelopment Agency might be able to assist in locating an appropriate buyer to purchase this property.”

He added, “The future development of this property and revitalization of the hotel could have a significant beneficial impact on achievement of the Redevelopment Agency's goals and the future of the Lucerne community.”

Seely said it's important that the property's buyer has the resources needed to renovate and preserve the historic building. He suggested that, if the old hotel were operated as a motel and convention center that's open to the public, it could become a major attraction and an asset to the county's tourism and resort industry.

“There is no comparable facility in Lake County,” he stated in his report.

Last year the board approved county staff submitting a Community Development Block Grant for planning and technical assistance to determine the building's highest and best use, conduct and appraisal and perform a structural evaluation. But Seely said the building's owners at the time said they weren't interested in selling so the grant funds were redirected elsewhere.

He'll suggest to the board Tuesday that the county should proceed with that original study.

Seely's report outlines several significant concerns about the property.

For one, the owners want to sell it quickly, and the county is concerned that a buyer could acquire it who would use it “for purposes that are not in the community's best long-term interests.”

He said the owners also are considering selling off small portions of the property surrounding the hotel to cover the building's upkeep and maintenance. Seely said placing the property in multiple ownership could “decrease the likelihood that the property will ever attract the type of investor who would renovate the structure and operate it as a hotel/conference center.”

Redevelopment's plans for Lucerne, Seely explained in his report, include the development of 13th Avenue as the town's commercial center. The hotel property is 13th Avenue's backdrop, said Seely, and according to a history of the building 13th Avenue was built specifically to lead to the building.

Not only could a revitalized hotel create jobs and give a shot in the arm to local tourism, rivaling other historic destinations, it also could fulfill redevelopment's goal of having a conference center on the Lucerne Promenade, said Seely.

Seely suggests that, given the economic climate, the right buyer might take a long time in coming. For that reason, he suggests the board consider purchasing the property.

“The objective would not be to retain the property under the agency's ownership indefinitely or to actually operate it as a hotel, it would be to simply hold the property until we can find a qualified buyer who would develop it and operate it in a manner that is compatible with the agency's and community's goals,” said Seely.

Staff is therefore asking the board to consider four options:

‐ Provide technical assistance and support to the owners in marketing the property to potential buyers who would develop the property in a manner consistent with community's and the Redevelopment Agency's goals.

‐ Proceed with obtaining Community Development Block Grant authorization to use program income funding to conduct the studies originally authorized under the planning and technical assistance grant, including the use analysis, appraisal and structural evaluation.

‐ Pursue the purchase of vacant property fronting Country Club Drive in order to provide the current owners with funding necessary for them to be able to retain ownership for a longer period of time until an appropriate buyer is located, and to allow the agency to assume a more influential role with a new property owner on future use of the hotel facility.

‐ Pursue the Redevelopment Agency's purchase of the property and hold it until an appropriate buyer can be

found who will renovate the structure and operate it as a hotel, conference center or mixed-use facility, consistent with the agency's goals.

Other items on Tuesday's agenda include the following.

Timed items:

9 a.m. – Animal Care and Control's presentation of adoptable animals.

9:15 a.m. – Consideration of a recommendation from the Lake County Fish and Wildlife Advisory Committee for the purchase of a custom robotic wildlife mule deer figure in the amount of \$2,000 to be used by the California Department of Fish and Game to catch illegal, off-season hunters.

9:30 a.m. – Discussion and consideration of Lakebed Management Program revenue/costs and proposed ordinance establishing annual payments for lakebed encroachment permits and annual lease fees.

10 a.m. – Discussion and consideration of reducing the number of Middletown Area Plan Update Advisory Committee members from 20 to 13, and consideration of appointment to the committee.

10:30 a.m. – Discussion and consideration of a request for authorization to allow representatives of the Two by Two Lake-Yolo Watershed Committee and staff to discuss and negotiate with representatives from the Yolo County Flood and Conservation District for opportunities to secure surface water rights to Clear Lake in connection with the development and construction of the Middle Creek Restoration Project. The board also will consider a request to permit the committee representatives and necessary county staff to travel out of county to meet with the State Water Resources Control Board to discuss a pending application for surface water rights to Clear Lake in connection with the proposed Middle Creek project.

10:45 a.m. – Consideration of applications from members of the public for appointment to miscellaneous Lake County committees, commissions and advisory boards.

11 a.m. – Consideration of proposed guidelines and mini-grant application form for community-based recreational activities and request to authorize the Public Services Department director to advertise and solicit applications for this funding.

1:30 p.m. – Update on the mobile home park owners responses to the proposed rent stability lease agreement and consideration of a proposed ordinance establishing mobile home park space rent stabilization; and discussion/consideration of regulatory alternatives.

11:45 a.m. – Consideration of a proposed agreement between the county and SWCA Environmental Consultants for the preparation of an archaeological resource management report (to evaluate the potential impacts of the development of two private residences on Rattlesnake Island) in the amount of \$29,602.

2:30 p.m. – Continued discussion and consideration of a request from Lowell Grant to initiate action to consolidate Lake County's seven school districts into one district and update from the county counsel and county superintendent of schools regarding the consolidation process and options for pursuing consolidation.

Untimed items:

– Update on the emergency action taken by the Lake County Board of Supervisors on Dec. 9, 2008, declaring the continuance of the existing local emergency in regards to the court order issued by the Sacramento Superior Court which prohibits fish stocking by the state Department of Fish and Game in water bodies in Lake County.

– Consideration of approval of findings of fact for the appeal of Milton and Ellen Heath of the Planning Commission's approval of Bonavita Estate (Kurt Steil and Gary Johnson) merger resubdivision to merge and resubdivide two parcels totaling 534 acres into five parcels, a deviation to construct a dead-end road longer than 1,000 feet and use permit for construction of an 11-acre ski lake at 16756 and 17350 Butts Canyon Road, Middletown.

– Consideration of out-of-state travel for programmer/analyst George Spurr to Phoenix, Ariz., from Feb. 9 through 12 to attend a workshop on control language programming.

The board also will hold a closed session for labor negotiations and to conduct a performance evaluation for the county's human resources director, Kathy Ferguson.

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