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## Council OKs Eagle and Rose Hotel remodel

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The St. Helena City Council has signed off on plans to remodel the Eagle & Rose Hotel and add eight rooms in hopes of turning around the under-performing business.

On Tuesday the council voted 4-0 to raise the city's hotel cap for what Councilmember Sharon Crull deemed "a perfect project."

The applicants, developer Bill Saks and Cheers! St. Helena founder Todd White, estimate that the new hotel, renamed Hotel 1424 and featuring a new Main Street lobby, will generate \$192,000 annually in hotel taxes, assuming a 68-percent occupancy rate and an average room rate of \$325.

The Eagle & Rose has averaged \$18,000 a year, with an occupancy rate of as low as 21 percent.

"I like bringing life to that part of town," said Councilmember Bonnie Schoch. "I love it when we can take a business that's there and just make it better."

The planning commission recommended approval of the project in January. But commissioners made it clear that the applicants should be bound by a strict water agreement that would keep the project's water use under control.

Saks has submitted a list of water-saving features planned for the new hotel. The full water agreement will be unveiled in a few months when the applicants return to the planning commission for design review.

St. Helena Chamber of Commerce CEO Nancy Levenberg urged the council not to let concerns about "ill-defined water issues" derail the project.

Mayor Del Britton voted for the project, but said he was worried about water. He suggested the applicants could pay for improvements to the city's aging sewer system to offset their water use, but the idea didn't catch on with the rest of the council.

Since the hotel's occupancy rate is so low, it's hard to judge how much water the business could potentially be using right now, said Schoch. If the applicants follow through on their plans to conserve water, "I think that we can just be happy with that," she said.

Councilmember Eric Sklar recused himself from the discussion because he's involved in a hotel project at the St. Helena Marketplace north of town.