

Colorado Boulevard Hotel Restoration Gets Stimulus Funding

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PASADENA - The block along East Colorado Boulevard between South Lake Avenue and South Mentor Avenue could get a \$11.1 million face-lift thanks to federal stimulus funds.

The City Council voted last week to preliminarily commit federal bond money to finance a project that would reopen a historical hotel and line the block with new stores, restaurants and office space.

The project has the potential to completely change the block, said Councilman Terry Tornek, whose district the area is in.

"It's a big project with a very important preservation aspect," Tornek said.

The stimulus money would go to finance the centerpiece of the \$76 million project, a renovation of the seven-story former Constance Hotel, which was built in 1926.

The building, which is still intact, would be restored and opened as a 156-room boutique hotel. Currently, the building is vacant and shuttered.

City officials also hope the stimulus spending will create jobs, and estimate that the development would open up 630 construction jobs and 750 permanent ones.

Richard McDonald, a local attorney and member of the Planning Commission who is representing the developers, said the funding will be vital to getting the hotel restored.

"That will be the biggest impact because the financing for projects in the hospitality industry has just dried up," said McDonald, who represents Arcadia-based Park Place Commercial.

Though other parts of

the project could still get financing, the weak market for hotels has meant banks will not finance new projects, he said. Without the stimulus funding for the hotel restoration, that part of the project would be very difficult to do, he added.

The rest of the project involves replacing an existing single-story building on the corner of Lake and Colorado with a seven-story mix of commercial and office space.

A line of existing shops along the block would be renovated or rebuilt, and a 653-space underground parking garage would be constructed.

That would likely mean the relocation of several small businesses on the block.

Sue Balderama, who owns one of those businesses, the Taste of Bangkok restaurant, said she is already looking for a place to move.

She wants to stay nearby, where her customer base is located, but is finding it difficult.

"I want to stay in the South Lake Avenue District, but it is so hard in Pasadena to find a place," said Balderama.

Her landlord has told her she might have a chance to keep the business there after the project renovation, but she said she does not want to close the business down during construction.

"You can't shut your door for a couple of months ... you have to build a business up over time," Balderama said.

Tornek said that while he approves of preserving the hotel, he worries about the size of the project.

"I always have concerns about a project of that size," Tornek said. "I'm very anxious to see the plans."

City officials are working on an environmental impact report for the project, said John Poindexter, the city's planning division manager.

Because it is still in the planning stages, the council will have a chance to reallocate the funds if members do not believe the project can get off the ground, said Jose Jimenez, a city redevelopment project planner working on it.

To get the federal financing, the developer must demonstrate it can break ground by the end of the year. The city can wait until August to re-evaluate, Jimenez said.

After doing environmental work, the next stage will be for the project to go before a city hearing officer. It also will be taken up by the Design Commission, but not the Planning Commission or City Council.

The first phase would be to renovate the existing hotel, McDonald said. Ideally, the work would be completed by late 2011.

The next phase would be to add an extension.

The final phase would be the renovation of neighboring buildings and the construction of the seven-story office tower.

Park Place would like to complete the work by 2013, McDonald said.