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## Capistrano Seaside Inn goes from red-tagged to anticipated treasure



Renovations are underway at the Capistrano Seaside Inn at Capo Beach in Dana Point, CA, on Friday, January 13, 2023. The city initiated a receivership to clean up the dilapidated property, which then went through the courts and a sale process. New owners purchased it, and it's being renovated. Its new look will be inspired by a lot of old Doheny homes. (Photo by Jeff Gritchen, Orange County Register/SCNG)

By **ERIKA I. RITCHIE** | eritchie@scng.com | Orange County Register

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Residents living along the cliffs above Capistrano Beach say they are looking forward to the unveiling of a newly renovated Capistrano Seaside Inn, which after sitting in disrepair, bogged down by legal disputes for years, might open as early as the spring.

The inn, once listed among the nation's 10 worst motels on Yelp, has been undergoing restoration after new owners purchased the property in a 2021 foreclosure sale.

Owners Jeff Finn and Danny Hyde, who operate as Artist Guild Hotels, are restoring the property with an eye to its historical roots – it's considered a historical resource under state law. Finn said its design is inspired by old Doheny homes, and the 30-room motel will look like an "eclectic Spanish Hacienda" when completed.

At 80 years old, the property, which sits across the sand from Doheny Beach on 1.5 acres at Pacific Coast Highway and Palisades Drive, was once considered a sterling early example of the Depression-era California motor court-style hotel and was a popular retreat for



[In 2017, after repeated attempts](#) to have the inn cleaned up, the city red-tagged the property, citing dozens of code and safety violations, including illegal wiring and a lack of working fire alarms.

Six months later, fearing the historic inn would be torn down for a larger development, city officials convinced a judge to put the property in receivership and a plan was made to renovate the property – while maintaining its historical character – so that it could again offer affordable rooms for people visiting the beach and Dana Point area, an important issue to city officials.

After several delays in court over a period of four years, Artist Guild Hotels bought the property after a foreclosure, said Dana Point City Attorney Patrick Munoz. Finn and Hyde — who operate their boutique-style business out of San Clemente — agreed to fix the myriad of issues and preserve the property's historical context.

The structural work on the property is largely done, but some finishing touches have been held up by supply chain issues, city officials said.

Residents who live above the property and walk by it regularly, said they have been watching its progress and are pleased that the void on the corner will now, hopefully, become a community attraction and a fun place to stop in for a cup of coffee before heading across PCH to the strand.

There was a “grandiose plan of creating a huge hotel there,” said Toni Nelson. “I’m glad that didn’t happen. We need more charm and less huge buildings covering up the iconic bluff and walkway down Palisades.”

Nelson pointed out a small area near the intersection that is right in front of the inn. She’d like to see the new owners buy it and turn it into a “cute park.”

“It would sure add a lot of charm,” she added, suggesting if Finn and Hyde don’t want it, the city could step up and turn it into a pocket park. “It would be a great asset to that corner.”

Councilmember Mike Villar, who represents the Capistrano Beach community, said he is also excited to see the project come together.

“That area has been such an eyesore for so long,” he said. “To know that it’s been repaired and is close to the original look will be so uplifting to the community.”

Villar said the property, in all its historical splendor, will be an attraction for many people.

“It provides accommodations unlike anything else in Dana Point,” he said. “The whole area will have a fresh look and, hopefully, it will help surrounding businesses and restaurants as well.”

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Erika Ritchie reports on South Orange County coastal communities, military issues and Camp Pendleton for the OC Register. She explores everything from coastal access, environmental issues and marine life to city government, animal welfare and quality of life. She’s won many awards including first place in news (2016) by the Orange County Press Club for her coverage of record numbers of whale entanglements off the California coast. Erika’s covered military change of command and seen military affairs firsthand from the sea aboard a battleship, air from a MV-22 Osprey, and land including Pendleton’s International war games and San Clemente Island’s ordnance ranges. Journalism allows Erika’s penchant for telling human stories of conflict, struggle and joy. Her monthly Everyday Hero feature does just that, highlighting achievements of some of Orange County’s most dedicated volunteers and non-profit leaders. Since joining the Register in 2001, she’s at times covered every city in South Orange County delving into development, housing, transportation, county government and social issues. She’s often written about Saddleback Church and Pastor Rick Warren’s emerging national and global roles. Erika’s passionate about animals and outdoor adventure. She runs, stand-up paddles and skis - both alpine and x-country. She frequents Mammoth Lakes and Mountain for hiking, biking & skiing and for her dogs to frolic in the snow and lakes. She grew up bilingual in German and conversational in French.

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