Westerly - The grand old lady of Watch Hill is almost ready to make her return.

About 225 workers a day are completing the interior on the new $140 million Ocean House, a historic re-creation of the 135-year-old Victorian hotel torn down in 2005.

Designed to bring back memories of when the Ocean House stood majestically above this seaside village and welcomed back families each summer, the new hotel also has modern amenities such as a spa, wireless Internet, flat screen televisions and rooms featuring marble bathtubs with French doors that open to sweeping views of the ocean below.

### THE OCEAN HOUSE BY THE NUMBERS

- **Cost:** $140 million
- **Size:** 155,000-square-foot building on 13 acres
- **Levels:** 7
- **Hotel rooms:** 49
- **Residences:** 23
- **Rooms in the old hotel:** 154
- **Sale price of penthouse residence:** $7
Visitors might not be able to tell the difference between the look of the old and new hotels because crews salvaged 5,000 pieces of the old structure before it was torn down. Some of those will go back where they were, including the original front entrance and the 19th-century elevator, which will form the interior of a new one.

Pieces of molding, railings and columns were either reused or used to make replicas. Every one of the hundreds of windows is the same design as the originals. The thousands of stones that made up the 1895 fireplace in the lobby were meticulously mapped, numbered and taken apart before the hotel was demolished. Then they were pieced back together over a six-week period in the new lobby. Ten shades of yellow paint were tested before the exact color of the old hotel was found.

The hotel has even hired back longtime lifeguard Sam Fusaro, who will now manage the beach and its new “shack,” where guests can get snacks, drinks, towels and chairs.

"We're thrilled to bring him back. He's a legend here," said Daniel Hostettler, the property's managing director.

Hostettler, who's opened luxury hotels such as the Peninsula in Beverly Hills and others in London, Sante Fe and Napa Valley, puts the Ocean House in the same class as some of the country's finest hotels, such as the Breakers in Palm Beach and the Greenbrier in West Virginia.

"I've been fortunate to work on a lot of neat hotels in a lot of neat places but there won't be another hotel built like this in my lifetime,” said Hostettler. “If you think of all of the hotels in New England there's nothing else like this. It will help put this corner of Rhode Island on the map.”

The hotel plans a soft opening May 1, 2010, and will open to paying guests Memorial Day weekend.
Unlike the old hotel, which was open only during the summer season, the new Ocean House will be open year round. Its ballroom has been booked every weekend from June through October for weddings.

The bar, two of its four restaurants and half of its 650-foot-long beach will remain open to the public, something that was important to chief investor Chuck Royce and his 12 fellow investors, many of whom have been coming to or living in Watch Hill for years.

Efforts to save hotel failed

Just before the hotel closed in 2003, Frederick Whittemore Jr. submitted plans to tear down most of the hotel and rebuild it along with some homes and cottages. Neighbors opposed that plan and he did not renew his option to buy the property.

In 2004, a New Canaan man who earlier this year was charged by federal authorities in connection with a $6 million financial fraud scheme, agreed to pay $13.2 million to buy the property so he could tear down the hotel and build four luxury homes.

Residents fought the project and “Save the Ocean House” bumper stickers began to appear on cars around town.

In 2004, Royce, a part-time resident who runs Royce Mutual Funds, formed a group to preserve the hotel and bought the property for $11.5 million a year later. After engineering studies showed it would not be possible to restore the hotel, the group decided to knock it down and build a historically accurate replica with modern amenities. Those plans have resulted in 49 guest rooms as well as 23 private residences comprising studios and one- and two-bedroom units.

Donna Simmons, one of the investors, who is marketing the residential portion of the project, said Royce wanted to assemble a group of investors that cared about preserving the historic traditions of the seaside village they remember growing up.

"They signed up to be stewards of the Ocean House for the next 40 to 50 years and then pass it on to their children," she said.

"They wanted their own children to have that same experience," Hostettler added.

Hostettler said the investors wanted a historic recreation of the hotel.

"This is not the Grand Floridian at Disney World," he said referring to the theme park's Victorian-inspired luxury hotel.
Rooms are bigger, pricier

So how did such a project get done in the midst of the country's worst economy since the Great Depression?

Simmons said the investors had to finance only half the project and expect to have no debt when the hotel opens next May.

Buyers have reserved 10 of the 23 private units, which are located in a separate wing from the guest rooms. The residences range in size from 850 to 2,200 square feet, except for the penthouse, which combined two units, and cost between $1.5 million and $4 million.

When owners are not using them the units will be rented out as part of the hotel.

All but two of the hotel rooms, which are four times bigger than the old rooms, have views of either Block Island Sound or Watch Hill Harbor. The rooms will cost $300 to $800 a night, depending on the time of the year.

Hostettler said the hotel will also be marketing itself for small business meetings in the off season.

During a tour of the hotel last week, Hostettler pointed out the pavers made from Westerly granite that are being installed in the driveway leading up to the front steps.

Up the stairs and to the right is a perfect copy of the popular large deck that will offer ocean views for bar patrons eating from a tapas menu.

Inside the lobby, the original front desk will be installed, as well as the staircase to the upper floors.

"The best compliment we've gotten on the project came from someone who said, 'We thought they tore it down.' That speaks to the replication of it," said investor Nicholas Moore, whose grandfather owned the house next door to the old hotel.

One of the few changes is the new mahogany staircase that will lead to the 180-seat ballroom below.

The main dining room at the rear of the main floor can set 138 inside and 60 on its deck. It offers stunning views of the beach below.

One floor below is the 12,000-square-foot spa and a 25-meter lap pool that has windows looking out to the ocean. Outside the pool is a large sundeck with a fountain. The interior colors of the hotel are described as sun-drenched yellow, blue, turquoise and cream.
One of the highlights of the hotel so far is the one residential unit that has been completed. At 1,850 square feet, it has two bedrooms with ocean views, fruitwood floors and a living room that overlooks the ocean and leads to a large deck. The kitchen has granite counters and professional grade appliances. Small stones serve as the handles on the cabinets. The views from the deck stretch all the way to Weekapaug.

It's still available for $3.9 million.

By Tim Martin

Construction workers install a large window at the rear of the Ocean House in the Watch Hill section of Westerly last Thursday.

By Tim Martin

An original exterior railing, right, sits next to a replica section in the interior of the Ocean House, which is undergoing a $140 million restoration. The 135-year-old landmark was torn down in 2005, though 5,000 pieces of the original structure were salvaged to be used as part of the historic recreation - along with various modern amenities such as a spa, wireless Internet and flat-screen televisions, among others.
A side porch of the Ocean House with a grand view of the Atlantic.

The living room area of one of the hotel residences.

The Ocean House replication project as it appeared last week.