



Midtier hotels challenge the big boys

By Tavia Evans
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Flat-screen television sets and high-speed Internet connections for guests' rooms are among the millions of dollars in renovations under way at several area midtier hotels.

Hospitality analysts say it's part of a nationwide trend: Affordably priced hotel chains are adding the bells and whistles typically associated with pricey, full-service hotels.

"We're seeing limited-service hotels becoming more high end in quality and even attracting business travelers," said Gary Andreas, a hotel consultant with H&H Consulting Group of Chesterfield.

"We've seen national chains like Marriott's program to reinvent Marriott Courtyard, Hampton Inn upscaling its lobby areas and hotels adding wireless Internet services and upgrading furniture," Andreas said.

Lodging Hospitality Management plans to rebrand the St. Louis Marriott Pavilion Downtown as the Hilton St. Louis Hotel at the Ballpark early next year. The Westport-based hotel operator signed a deal on Friday to buy the property for an undisclosed amount.

Marriott turned the deed to the hotel property back over to the lenders, Cornerstone Realty Advisors, in January 2002.

LHM, which owns 16 hotel properties in the metro area, also plans to pump \$15 million into renovations at the new Hilton, including rehabbing guest rooms and banquet and meeting spaces.

"There's an oversaturation of rooms in downtown St. Louis, but hopefully with the economy coming back and the money we're spending to reflag and fix up the property and with the Ballpark Village, we think we can reposition the hotel to do very well," said Bob O'Loughlin, president of LHM.

Other LHM franchises are raising the ante too. The Sheratons at West Port Chalet will undergo \$5.5 million in updates at each property, and the company will spend another \$5.5 million on the Holiday Inn West Port to convert it into a Doubletree Hotel.

St. Louis-based HBE Corp. will pump \$75 million to \$80 million into its five Adam's Mark properties around the country. Its downtown St. Louis hotel will get a \$20 million makeover that includes granite countertops, new furniture and work stations. Other properties will receive plasma-screen televisions, said Tommie Monroe, vice president of corporate affairs.

More than 2,000 hotel rooms have been added to the downtown St. Louis hotel market since the economic downturn in 2001. Most of those rooms were at the Marriott's other downtown properties, the Renaissance Grand St. Louis and the Renaissance St. Louis Suites.

St. Louis-based Drury Inns Inc. opened the Hilton St. Louis Downtown this year, with 195 rooms.

Downtown hotel occupancy through July was 59.7 percent, up 6.6 percent from the same period last year, according to the St. Louis Convention & Visitors Commission. St. Louis County fared better, with an occupancy rate of 65.1 percent.

Carole Moody, president of the St. Louis Convention & Visitors Commission, is optimistic that business travel and tourism will return to pre-Sept. 11, 2001, levels by the end of the year.

"This year has been better, with the Final Four games and 54,000 people from all over the world, and another 50,000 from the Seventh-day Adventist convention," Moody said. "So we're enjoying healthy tourism business this year."

Stylish upgrades

Midscale hotels are upping the ante with new amenities similar to what the pricier competition offers. The updated furnishings include:

- Flat-screen televisions
- High-speed and wireless Internet connections
- Ergonomic chairs and work surfaces
- Granite countertops in bathrooms
- Sleeker, contemporary furniture

Reporter Tavia Evans