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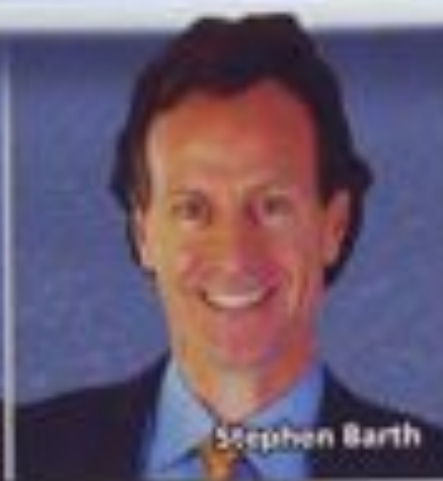
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Above, after a \$100 million investment, the former Fairmont New Orleans re-opened as the 504-room Roosevelt Hotel, a Waldorf Astoria Collection Hotel.



Above, Wyndham Hotels & Resorts' four properties in the market include the 202-room Wyndham Riverfront New Orleans.

Left, the three hotels that comprise the Ritz-Carlton Hotels of New Orleans total 757 guestrooms.

Five years since Katrina, New Orleans hospitality is slowly coming back

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As of last month, New Orleans had 35,550 hotel guestrooms, close to the 37,000 the city boasted pre-Katrina, according to the New Orleans Convention & Visitors Bureau (CVB). However, the city attracted only 7.5 million leisure and business travelers in 2009, a significant retreat from the 10.1 million who visited in 2004, the last full year pre-Katrina.

The meetings and conventions business has always been a key part of the city's economic lifeblood and that's hurting as well. The CVB booked 660 events last year, about half the 1,300 booked in 2004. Not surprisingly, tourism-related employment has lagged. As of last month, 70,000 people held jobs in the tourism industry, down from 85,000 pre-Katrina.

Despite the drop-off, the tourism industry, including hotels, generated more than \$200 million in direct tax revenue to the city last year, more than any other business segment.

If one hotel has become a symbol of New Orleans' post-Katrina story, it is the 1,193-room Hyatt Regency in the city's central business district close to the Louisiana Superdome, New Orleans Arena and City Hall.

Like the city itself, the restoration of the Hyatt is still a story in the making. Photos of the hotel's empty 31-story tower with dozens of windows blown out were widely published in the days immediately after the hurricane. "We supported the city from Aug. 29th to Dec. 15, 2005, when we closed the doors. We housed the mayor, the city council,

representatives of the Department of Homeland Security and the National Guard as the city started to get back on its feet," general manager Michael Smith told HOTEL BUSINESS®.

While various efforts were made to repair the damage and reopen the 34-year-old hotel in the interim, there was little progress. In 2006, the hotel's owner at the time, Chicago-based Stra-

Smith. "We're like the Phoenix arising from the ashes."

Under the plan, the hotel's entrance will be relocated from Poydras St. to Loyola Ave. around the corner. The amount of meeting and event space will double from 100,000 to 200,000 square feet, and include two 25,000-square foot ballrooms and up to 60 meeting rooms. A number of res-

lion) renovation. Its new owner, locally-based First Class Hotels, reopened the property as the 504-room Roosevelt, managed by Hilton Worldwide as part of its Waldorf Astoria Collection.

Likewise, the historic Ritz-Carlton Hotels of New Orleans—which is actually a complex of three hotels totaling 757 rooms—closed after the storm and reopened in 2006 after a major (\$150 million) upgrade. But the physical improvements aside, hotel manager Zachary Curry described another kind of change that occurred.

"Given what the city went through with Katrina, we felt it was our responsibility when we came back to give the hotel a sense of place and really infuse it—through F&B and entertainment offerings—with the best New Orleans had to offer. We owed it to the city," Curry said.

Similarly, Jeff Wagoner, president of Wyndham Hotels & Resorts, feels a special responsibility to New Orleans as it continues to recover. Wyndham has four hotels in the market, including the 202-room Wyndham Riverfront. In July, it opened its newest property, the historic 170-room Wyndham Garden Hotel Baronne Plaza.

"Few cities possess the history and spirit that exists here. Our four properties underscore our strong commitment to the city," Wagoner said, noting that the company recently chose New Orleans as a site for its own meetings as a way to assist the city as it continues to come back. **HB**



New owners are investing \$275 million to return the 1,193-room Hyatt Regency New Orleans to the market next year.

tegic Hotels & Resorts unveiled plans to incorporate the hotel into a New Orleans Jazz Park. The ambitious plans went nowhere, and Strategic sold the hotel the following year for \$32 million to locally-based Poydras Hotel Members LLC along with New York-based AREA Property Partners, a Hyatt affiliate.

With the fifth anniversary of Katrina on the horizon, the new owners broke ground Aug. 18 on a \$275 million plan to "not so much renovate the hotel as to redevelop and reposition it," said

restaurants, bars and lounges are part of the mix as well. The work is scheduled to be completed in a year.

"We may have been symbolic of the New Orleans of Katrina. Now we're going to be symbolic of the new New Orleans," Smith added.

But the Hyatt Regency is not the only New Orleans hotel to be reborn. The historic Fairmont, which dated to 1893, closed in the aftermath of the storm, was sold at a discount (\$17 million) and restored in a costly (\$100 mil-