



# nerej

## **Hotel Industry News: Harry Wheeler - Designing smarter for renovations and new build properties**

May 19, 2011 - Front Section

With the travel industry starting to rebound and show increases in occupancy and rate, the race is on for owners and operators to meet and exceed guest expectations. The last two years have resulted in properties scaling back their investments and placing renovations and new builds on hold. Now with the economy beginning to show improvements, owners and investors are once again evaluating their properties to determine what needs to be enhanced to better the customer experience and increase their return on investments. Although the industry has softened over the last few years, guest expectations have not. Properties slated for renovations and new projects need to revisit their typical design approach and seek out smarter and more efficient ways to spend their dollars.

Cap-ex improvements, PIP requirements, brand mandates or a general interior design refresh are all reasons for renovating an existing property. Despite a sunnier outlook of our industry than in years past, today's owners and investors are still weary about spending. Using a collaborative design approach improves the overall guest experience while providing a high return on the property investment.

When embarking on a collaborative design approach, evaluate each property to clearly define its personality and the reasons for its success. Take into account the guest experience. Ask, "What makes people come back to this hotel?" With a clear goal and direction, the design team can work collaboratively with the property team to determine what will generate the best guest experience and highest property ROI. Being open to a range of creative approaches and not designing in a vacuum is an extremely important part of the process.

This design philosophy also goes for new construction. Construction costs are too on a slight rise and we see projects carrying escalation percentages as we evaluate the development cycle of a new project. As these projects are intensely scrutinized before being given the green light, it's critical to develop smarter and look for the design advantage.

The needs for new construction are slightly different than renovations, although there is much overlap. Just as with renovations and redesigns, a new build property must evaluate the competitive market and understand its unique need and position. The big difference here is that the design, vision, operations and function begin with a clean slate and are heavily scrutinized and evaluated to ensure the right pieces are fitting together. In this stage, it goes beyond just aesthetics and into the bones of the building. For example, when deciding whether to construct the building out of wood or steel, it is not just a first cost conversation. The team needs to evaluate the other expenses that go along with these components such as sound and noise, fire protection, longevity and most importantly, the exit strategy. Although there might be a premium now on the cost to upgrade the structure, history proves that at exit a building constructed out of heavier materials trades at a

significant higher rate.

From the interiors perspective, new construction is always looking for that edge over the competition. Aside from design, one of the advantages that is constantly being evaluated is LEED compliance. So why, then, is the hospitality industry so hesitant to go green? The upfront cost of sustainable design elements certainly dampens the enthusiasm among owners and developers. Room rates are directly reflective of the necessary construction costs. This is one example of how each decision needs to be carefully evaluated to make sure that where additional dollars are being spent, there is a return, an operational savings, or an enhanced experience that is worth the investment.

In several instances over the past year we've been able to use this collaborative design approach to create profitable, smartly designed spaces for our clients. One example is the Sheraton Boston located in the city's prestigious Back Bay area, which was completed in early April 2011. Group One worked very closely with the property and the owner to provide a full evaluation and help define and recommend the project scope to the client. Upon approval of both, we provided architectural and interior design services for more than 100,000 square feet of meeting and public space to revitalize the spaces, put an emphasis on social settings, upgrade the technology, and transform the main ballroom area into a modern and elegant space fit for either a corporate or high society event. Since every team member was involved in the scope evaluation and the design process, all of this was done while paying close attention to the overall project budget. By using a collaborative design approach we achieved the clients' goals and were also able to wrap additional areas into the project that may not have been possible otherwise.

In the case of new construction, the extended stay hotel planned for the For Point Channel district on 368 Congress Street in Boston is a perfect example of how Group One designs smarter to meet client expectations and improve the guest experience. This project is the adaptive reuse of an existing warehouse building into an extended stay hotel that includes ground floor retail. There are complexities at every corner -- not only because of the adaptive reuse component but also due to the historic tax credits and commissions, landmarks and LEED requirements that need to be satisfied along with the challenging site logistics. Where this property stands out above the rest is the design of the rooms and the public spaces that take advantage of the unique characteristics of the structure and create a hotel experience that cannot be found anywhere else in the city.

More so than any other time, we must all put on the "owner's hat" to create a design that fits within the economics of the project. Alongside our clients, Group One determines how a redesign or new build can be smartly approached to achieve visual, functional and positive economic impact. Asking the right questions at every step of the planning and design process and critically evaluating each phase of the project ensures that time and money are most efficiently utilized. From factoring in design elements on a room-to-room basis, to developing the base project scope, and even helping to create the project budget, we approach each project as if we were writing the check. This collaborative strategy allows us all to work smarter to create an innovative yet practical design that enables projects to: a) get financed and b) to provide a high ROI.

Understanding all project economics and design elements to create upside value is critical to attaining client satisfaction in this challenging economic market. Spaces must be functional, imaginative, and yield a high ROI to serve the projects' bottom lines. Our goal as designers is to align with our clients, understand their vision and push the limits of our creativity to exceed expectations while increasing revenue streams.

Harry Wheeler, AIA, LEED AP is Principal and co-owner of Group One Partners Inc., a Hospitality specific Design firm offering Architecture, Interior Design and FF&E Procurement. Group One Partners, Inc is known throughout the Hotel industry for design quality and thorough understanding of Hotel operations which has enabled them to become approved Architects and Designers for many of the major brands. As Principal Harry is responsible for overseeing the Company's Business Development and Special Projects. For more information or any questions please contact Harry at [harry@grouponeinc.com](mailto:harry@grouponeinc.com).

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540