

# LODGING NEWS

BREAKING NEWS FOR HOTEL EXECUTIVES • A MEMBER BENEFIT OF THE AMERICAN HOTEL + LODGING ASSOCIATION

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**THE HYATT DULLES** at Washington Dulles International Airport in Herndon, Virginia, was closed over the weekend as workers attempted to scrub and disinfect every inch of the hotel, thought to be contaminated with the norovirus, the *Washington Post* reports. Tests at the hotel confirmed that about 60 guests from two recent wedding parties had contracted the same type of intestinal illness that has plagued cruise-ship passengers. While the hotel was cleaned with a powerful chlorine bleach, Herndon High School's prom, scheduled to be held at the hotel, was moved to its sister hotel neighboring Reston. Two church groups, a retirement dinner party, and any new arriving guests also were being diverted to other Hyatt hotels in the area. The origin of the norovirus has not been determined and there is no evidence that it came from the hotel.

**TRAVEL BOOKINGS HAVE RETURNED TO THEIR 2002 LEVELS**, according to the most recent AAA *Travel Barometer*, which for the week of May 26 to June 1 showed overall travel agency activity at 28,100 bookings, about even with the 28,200 bookings for the same week last year. The barometer reflects a decline of 17 percent from the previous week of this year, consistent with a normal drop-off in travel bookings immediately following the Memorial Day holiday. The AAA barometer is based on a sample of 13 clubs representing more than half of the association's 46 million members.

**COLUMBIA HOSPITALITY** announced several new hires and promotions: Bret Matteson, promoted to COO for CHI, previously served as vice president; Lenny Zilz, hired as vice president, was previously with John Daly International; Shelley Tomberg, promoted to vice president, was previously vice president of marketing; Bob Taylor was promoted to director of projects; and Erik Ruud was promoted to projects manager.

**HEI HOSPITALITY** added five key officers and promoted a sixth to complete an expanded senior management team for Smilezzzz Hospitality, the company's hotel management division. Robert Frost, most recently vice president of human resources for Interstate Hotels & Resorts, was named senior vice president, human resources; Robert Cowan, previously regional vice president of operations for Starwood Hotels & Resorts Worldwide, was named senior vice president of operations; Pamela Suhr, named senior vice president, marketing, was formerly ▶

## WASHINGTON WATCH

The American Hotel & Lodging Association has partnered with the U.S. Department of Labor to promote YouthRules!, a DOL initiative designed to educate employers and employees on the special work rules that apply to employees under the age of 18. The initiative is meant to coincide with the surge in hiring of seasonal workers during the summer months, and to remind employers to be careful to follow the provisions of the Fair Labor Standards Act.

Among other things, the FLSA stipulates that 14- and 15-year-old employees may work up to eight hours on a non-school day and a maximum of 40 hours in a non-school week; those numbers decline to three hours per day and a maximum of 18 hours per week during the regular school year. Work hours must fall between 7:00 a.m. and 7:00 p.m. during the school year, but are extended to 9:00 p.m. during the period from June 1 through Labor Day.

By comparison, 16- and 17-year-old employees may work unlimited hours in any occupation, except those on the Secretary of Labor's list of hazardous occupations; 14- and 15-year-olds are similarly prohibited from holding jobs on this list, which includes those that require the handling of explosives, logging or sawmilling, and other construction-related positions.

The DOL's *Employer's Pocket Guide on Youth Employment* may be downloaded at [www.ahla.com/pdf/YouthRulesBrochure.pdf](http://www.ahla.com/pdf/YouthRulesBrochure.pdf).

  
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senior vice president of operations for Interstate Hotels & Resorts; Brian McGrath, formerly corporate director of revenue management for MeriStar Hotels & Resorts, was named vice president, revenue management; and Isaiah Wilson, named senior vice president, accounting, was formerly vice president, field accounting, for Interstate Hotels. Norman Justice, previously an HEI regional controller, was promoted to vice president of accounting.

**BLUEGREEN CORPORATION** named Douglas Kinsey senior vice president of acquisitions and development. Since 1997, Kinsey had served as senior vice president of real estate acquisitions for Fairfield Resorts.

## ACQUISITIONS/DEVELOPMENT

**FAIRMONT HOTELS & RESORTS** has entered into an agreement with Betterroads Asphalt Corporation to manage a new \$152 million, 416-room resort in Coco Beach, Puerto Rico. FHR will also invest approximately \$9.5 million for a minority equity interest in the property at the time of its opening. Hotel Development Corporation and Tourism Development Fund, both Puerto Rican government entities, are investment participants in this project. FHR has the option to participate in the development of a vacation ownership property on a 20-acre parcel of land adjacent to the resort. Construction of the resort is to begin this fall, with a projected opening for late 2005. The Fairmont Coco Beach Resort will offer 30,000 square feet of meeting space, a 12,000-square-foot Willow Stream spa, and a 6,000-square-foot casino. Guests will also have access to 36 holes of golf located within the resort.

**SONESTA BEACH RESORT & SPA BERMUDA** was sold by owner AETNA Insurance Company to Southampton Beach Resort, Ltd. The resort will continue to be managed by Sonesta International Hotels Corporation for up to eight years. Plans have been approved by the Bermuda government to enhance the property with upgrades to the hotel and amenities, a new beachfront restaurant and recreational area, and a number of residential units.

**FANDANGO RESORTS** has been retained to assist in the development and management of the soon-to-be constructed Lodge at Lincoln Peak in Warren, Vermont. Construction of the \$85 million lodge is slated to begin this summer. The Lodge will have approximately 140 mountain residences. Fandango will take on the role of program development manager and hotel operator for the property. The resort is owned by Leggat McCall Properties.

**MARRIOTT INTERNATIONAL AND CNL HOSPITALITY PROPERTIES** held the grand opening for the Seattle Marriott Waterfront hotel. The property, owned by CNL and managed by Marriott, offers 358 guestrooms and 11 meeting rooms totaling 11,000 square feet of meeting space.

## FISCAL FACTS

**HERSHA HOSPITALITY TRUST** declared a quarterly cash dividend of 18 cents per Priority Class A Common Share for the second quarter ending June 30. The priority common dividends are payable on July 18 to shareholders of record on June 27. Additionally, HT announced that its operating partnership, Hersha Hospitality, L.P., also declared a regular quarterly cash dividend of 18 cents per subordinated limited partnership unit. Dividends to the limited partnership unit holders are also payable on July 18 to unit holders of record on June 27.

**FAIRMONT HOTELS & RESORTS** declared a semi-annual dividend of 3 cents per share on all outstanding common shares, payable on July 28 to holders of record at the close of business on June 27. ■

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