

Hotel News Now

Operations

States present different challenges as hotels reopen

02 JUNE 2020 8:47 AM

Hotel operators must approach property ramp-up on a case-by-case basis, depending on several factors starting with state restrictions.



By Danny King

REPORT FROM THE U.S.—Standards and protocols for reopening U.S. hotels have been a moving target, and likely won't be a one-size-fits-all approach, according to sources.

The ongoing COVID-19 pandemic, political attitudes and weighing health risks against economic damage have created a county-by-county patchwork of reopening dates, forcing hotel operators to approach their properties on a case-by-case basis.

"There's such a disparity in jurisdictional approach across the landscape," Davidson Hotels & Resorts COO Pete Sams said. "There are an amazing number of moving parts, state to state, hotel to hotel."

The reopening approach of some smaller states with an outsized reliance on tourism has been criticized by some lobbyists as too stringent. Hawaii in late March enacted a [14-day mandatory self-quarantine](#) for out-of-state visitors and inter-island travelers, and violators risk jail time. That mandate has been extended until at least 30 June.

Nevada, which shut down all its hotel-casinos on 18 March, will allow state casinos to reopen the first week of June. _____

Caesars Entertainment will reopen two of its Las Vegas Strip properties as well as Harrah's Lake Tahoe on 5 June. On 4 June, [MGM Resorts International](#) will reopen four Strip hotel-casinos; [Wynn Resorts](#) will reopen the Strip's Wynn and Encore properties; and Las Vegas Sands will reopen the Venetian. Other Nevada hotel reopenings will be phased in at later dates.



Maine's government this month announced hotels could open for travelers on 1 June, though will enact its own 14-day self-quarantine for out-of-state visitors for all hotels and rental properties.

"That quarantine looms for everybody, so we're trying to find a solution to that," Steve Hewins, president and CEO of Hospitality Maine, said. "Last year, we had 38 million visitors to the state, and the population is 1.4 million, so that'll give you an idea of the impact. It's everything."

On the flipside, governors in Texas and Florida deemed hotels in March as providers of essential services and permitted them to remain open to all guests.

Traveler origin and county-level regulations are additional wildcards. For instance, since late March, Florida has instituted [a 14-day self-quarantine mandate](#) only for travelers coming from New York, New Jersey and Connecticut, while coastal counties such as Miami-Dade and Broward are just starting to allow their hotels to accept travelers.

California's government has categorized hotels as "higher-risk" workplaces, and will allow them to reopen to non-essential workers as part of the "Stage 3" phase of [reopening](#) its economy. (Hotels serving essential workers have remained open). "Stage 2" allows retail stores, manufacturing facilities and restaurants to reopen. To progress to "Stage 3" requires each county to show declines in hospitalizations and positive tests for COVID-19.

New York has allowed hotels to remain open by deeming them an essential business, but restaurants, gyms and spas are part of the "Phase 3" of [reopenings](#), putting those hotel amenities at least four weeks behind the "Phase 1" status that applies to much of the state, but not New York City.

Forty-seven of California's 58 counties were in "Stage 2" of reopening as of earlier this week, not including Los Angeles County and most of the San Francisco Bay area.

Such state-issued mandates are spurring hotel representatives to lobby for more government lenience.

"We can open up manufacturing, which has people coming in from different counties, but we can't open hotel rooms," said Lynn Mohrfeld, president and CEO of the California Hotel & Lodging Association. "It doesn't seem to make a lot of sense."

The lack of continuity in reopening guidelines has forced hotel operators to juggle multiple reopening timelines amid a business environment that's been the most challenging in memory.

[For the week ending 23 May](#), U.S. hotel occupancy dropped 50.2% year-over-year to 35.4%, according to [STR](#), parent company of HNN. Hawaii's restrictions have been particularly onerous, as Oahu hotel occupancy for the week ended 23 May dropped to 12.7% from 84.2% a year earlier.

"We were considered essential businesses from the start, and we continue to be so," said Michael Jacobson, president and CEO of the Illinois Hotel & Lodging Association. "Obviously, many hotels voluntarily opted to suspend operations, but that was at their own discretion."

On 18 May, [STR and Tourism Economics forecast](#) U.S. hotel revenue per available room to decrease 58% for full-year 2020 on a 46% decline in occupancy and a 22% drop in average daily rate.

Safety protocols

As hoteliers navigate reopening, many are considering new norms and guidelines for cleaning and guest safety and interaction.

The [American Hotel & Lodging Association](#)'s "Safe Stay" program proposes six feet of social distancing in hotel lobbies and non-contact room service, among other guidelines.

"You're reducing touchpoints, which is counterintuitive within our industry," Sams said. "Historically, there's a correlation between the number of people you interact with and guest perspective. Now, more than ever, it's about the quality, not the quantity of interaction."

"It's about giving people confidence that where they're going is going to be clean," said Mark Dorr, president of the New York State Hospitality & Tourism Association. "You want to make sure you have everything in place to give the guest confidence."

State regulations and guidelines for group gatherings will also require hotel operators to be flexible and nimble in planning on-site events.

"We created individual plans for every one of our hotels that were mindful of the local municipalities," Sams said. "While we know where we are today, we have to be able to turn on a dime."