

## Detroit hotel industry expecting major growth in 2017

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Detroit's hotel industry enjoyed a successful year in 2016, welcoming 19 million visitors last year. From December 2015 to December 2016, the occupancy rate rose to 65.7 percent, a gain of 0.3 percent. The average daily rate rose to \$97.43, a 3.5 percent gain, and revenue per available room jumped by 3.8 percent to \$64.04, according to *Hotel News Now*.

Kathleen Richard, Program Director for the Hospitality and Tourism Management program at Madonna University, says the city's economy is doing well in general. "Detroit is on the upswing." Richard points to sports and entertainment as major drivers of tourism: "There are so many exciting things going on in downtown Detroit. We have a new hockey arena. It's going to be called Little Caesars Arena, [and it's] going to be open in September. We have our Cobo Hall arena [that] has been renovated. We have three casinos that draw a wide variety of visitors."



"Downtown Detroit is really, really growing," Richard says. "A lot of younger people are moving downtown, a lot of businesses are relocating downtown. In terms of the economic texture of Detroit, it's great. That's also reflected in the hotels. At one point we were very low on hotel space and that actually hurt us in terms of getting conventions and conferences. Now hotels that had been closed for years are being remodeled and reopened."

One upcoming hotel is [Shinola Hotel](#), which is scheduled to open in the fall of 2018 in downtown Detroit. The hotel will have 130-plus rooms. The Detroit Free Press reports that Wurlitzer Hotel, Element Hotel, West Elm Hotel, and Detroit Fountain Hotel are also upcoming properties.

According to *Hotel News Now*, there were 63 hotel projects in the works for Detroit in December 2016, and they totaled 6,611 rooms. Of those, 16 projects with 1,662 rooms were already in construction. Another 29 projects amounting to 3,039 rooms were in the final planning stage.

Richard mentions Greektown as an area where hotels are thriving. "Greektown is a four- or five-block tourist area where we have one of our casinos and we have Greek restaurants," she explains.

Richard names the MGM Grand, the Detroit Marriott at the Renaissance Center, the Greektown Casino Hotel, the Atheneum Suite Hotel, and the Townsend Hotel as currently open hotels that are popular with visitors. She adds that the prosperous hotel industry is opening up new opportunities for hospitality professionals to work in Detroit. "Detroit is in a renaissance and coming back. People are either electing to stay right in downtown Detroit or in the suburbs and that creates more jobs."

Richard predicts that many of Detroit's newer hotels to offer guests a more personalized experience. "There is certainly a trend towards more boutique hotels," she says. She also says that event planners are especially in demand. "One of the hot button careers right now is event planning. All of the hotels, of course, have event planners that they employ for different events."

Richard looks forward to continued expansion of Detroit's hospitality job market in 2017. "We definitely expect it to grow," she says.