

Stephen F. Austin Hotel ready to hit luxury market

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Yes, this town is big enough for the three of us.

That's the tune being sung by local luxury hotel general managers as the Stephen F. Austin Hotel gears up to open in March.

The 187-room hotel, at the corner of Seventh Street and Congress Avenue, is within one block of the Driskill Hotel and within eight blocks of the Four Seasons Hotel. The Stephen F. Austin, which has been closed for 10 years, is being renovated and restored.

Tom Stacy, president of T. Stacy & Associates and the local partner in the hotel, assembled Brazos Austin Center Ltd., the investment group that purchased the building in April. The principal investor is the Khimji family of Dallas and Vancouver, British

Columbia, owner of Highgate Hotels.

Brenda George Sayegh, vice president of sales and marketing for Highgate Hotels, says the Stephen F. Austin primarily will attract high-end corporate travelers, some guests when the Legislature is in session, people involved in the arts and University of Texas alumni.

Sayegh says because of the hotel's quality, the meeting rooms will be able to handle corporate meetings as well as social occasions.

"The Driskill is historic, and the Four Seasons is nice, but we will even be steps beyond that," Sayegh says. "With our service and product, we will be set apart."

Stacy says while the owners have not chosen a brand name for the hotel, they are considering the Ritz Carlton Hotels &

Resorts, Renaissance Hotels and Resorts and Westin Hotels & Resorts.

"We're looking to attract the people who demand and appreciate that personal attention, whether for business or personal or both," Stacy says.

He says although the hotel has a lot of meeting space, it will not be a meeting hotel and will attract the general corporate traveler.

Jack Farr, general manager at the Driskill Hotel, says he is not worried about losing business to the Stephen F. Austin.

"We're excited about the hotel because it helps continue the revitalization of downtown," Farr says.

He says the hotel will help the city and the Austin Convention Center by making conventions easier to book because there

will be more downtown hotels.

"Any time you add rooms like that, it helps," Farr says.

Craig Reid, general manager of the Four Seasons, says the new hotel will not hurt his business either.

"Our business travel [market] is growing at a pace [where] it will easily be absorbed into the market," Reid says. "If we experience 4 to 5 percent growth a year, we will need 400 to 500 more rooms a year."

He says the Stephen F. Austin will fill a gap because most of the new hotels currently being built here are limited-service hotels.

Reed adds he is glad to see another hotel open in the downtown area and is interested in seeing what flag the hotel will carry because that will help determine the quality of the hotel.