

New Owners Giving Downtown Sheraton a \$10M Makeover, New Name

By Jan Falstad of the Gazette Staff

World-class sophistication that will earn a premier rating, yet retain a Montana flavor. An unpretentious contemporary design to replace the drab look of the Billings Sheraton Hotel. On Tuesday, The Hotel Group of Edmonds, Wash., paid an undisclosed amount for the Billings Sheraton Hotel. The deed change was recorded Thursday. Now the company is launching a \$10 million, 15-month renovation project.

In May, The Hotel Group founders Ed and Barb Lee made their first trip to Billings to check out the hotel. "You can see it from the Rimrocks coming from the airport. So the first impression is it's the centerpiece of the community," Ed Lee said. "And then you get closer." The all-brick exterior looked fortress-like, he said, but the hotel and city have "tremendous potential." "It's a vibrant, fairly sophisticated community that is on its way back," Lee said. "So you combine those two factors and you have a good business opportunity."

Big hotel, big plans

Over the next six months, the owners will redecorate the 282 rooms. The balance of the projects, including redesigning the lobby, will take nine more months. To help return the hotel to profitability, the Sheraton will change its affiliation to Crowne Plaza Hotels & Resorts on Aug. 23. In addition to the sign changes, an architectural band or awning will be installed around the exterior second floor. Other planned improvements include:

- Turning the Lucky Diamond bar, with its million-dollar view of the Rimrocks, into conference space.
- Building a bar on the street level that will serve appetizers and light meals. A lobby bar will serve guests and attract other customers from downtown Billings.
- Re-evaluating the Lucky Diamond restaurant in terms of cuisine and location.
- Upgrading the ground floor Sheraton Club into a club for priority guests, including a pool table, darts and shuffleboard.

- Cleaning the inside and outside brick.
- Masking the utility substation between the hotel and the U.S. Post Office.
- Resealing and landscaping the parking lot along North 27th Street and Montana Avenue.
- Then there are the expensive, but less-noticeable changes: mechanical, electrical, plumbing and structural. Collectively, they're known as MEPS.

"We'll just say there are a few MEPS opportunities that we're looking into immediately," President Doug Dreher said.



President, Douglas Dreher
Vice President, Lara Latture

Walking the Plank?

With his back to Montana Avenue, Dreher stared up above the hotel entrance and wondered. On the second floor with no balcony in sight, two mysterious doors set into the brick open into thin air. "That's actually where we take the employee who has had a bad day," Dreher joked. Bill Haynes of Collaborative Design Architects has been hired to load the old hotel plans into CAD computer software, so the designers can start refining their remodeling plans. Haynes, too, wondered about those doors and found the answer in some old blueprints. "Somewhere in there it says, 'Knockout panel to accommodate future doors to parking garage addition,'" he said.

From dark to dashing?

Nobody on The Hotel Group team used the word "dowdy" to describe the current interior design. However, Seattle-based designer Andrea Dawson Sheehan, who owns Dawson Design Associates, said when she is done redecorating, the Sheraton will be warm, inviting and sophisticated, yet still have a Montana feel. "Right now, when you walk in, it has the feel of an antique mall," she said. "A cave with a lot of shops." Plans are preliminary at this stage, but Sheehan and Dreher plan to move some retail shops to the street level. Shopping, a gourmet coffee kiosk and a bar in the lobby that serves appetizers and light meals will help draw customers off the street, Dreher said. All the Lewis and Clark paintings will be reframed and corralled into a better display. The lobby's water wall will stay, but it will be cleaned up. And the Petroleum Club on the 22nd floor will stay put, according to general manager Magnon King. "The club looks forward to an exciting and prosperous relationship with them," King said. Independent of the sale, the Petroleum Club is closing mid-August for its yearly maintenance. The private club will reopen Sept. 5. The elevator buttons claim 23 floors, but the hotel actually has 22 because there is no 13th floor. Sheehan's company also redesigned the Marriott along Lake Michigan in downtown Chicago. Dawson Design has won consecutive Lodging Hospitality Design Awards in 2005 and 2006. A reinvigorated downtown was a draw for The Hotel Group. And Walkers Grill across North 27th Street drew the approving eyes of the company brass. Vice President Lara Latture of Nashville, Tenn., called the mix of Western and contemporary design elegant and sophisticated. "We want to be the Hotel Walker," Latture said. "It's incredible and the food's good, too." The ultimate goal is to make the Sheraton the premier hotel in Billings. "We want something that feels like Montana with more of an urban edge," Sheehan said. "People flying in from Los Angeles are going to naturally choose this hotel because it feels familiar."

Shining up the Sheraton

In March 2005, lenders foreclosed on the Billings Sheraton Hotel and the Holiday Inn Parkside in Missoula. The Montana hotels were profitable but were lumped into a single mortgage along with a hotel in Colorado and one in Texas that were financially troubled. After the owners missed some payments, the lenders fore closed on all four hotels. The bank hired Sage Hospitality Resources of Denver to manage the Sheraton until it could be sold. When Sage took over, 110 employees had to reapply for their jobs. All but two were rehired. Last Tuesday, The Hotel Group of Edmonds, Washington, purchased the Sheraton. The Hotel Group owns or manages 30 hotels, a chain of properties stretching from Fairbanks, Alaska, to Norwalk, Conn. To prepare for the conversion, about 18 managers are flying in and out of Billings over the next three weeks to retrain existing employees and to hire 10 more. As they did 16 months ago, the hotel's 110 employees had to reapply for their jobs and start over on seniority. Dreher said his company's wages are similar and the benefits package is better than the one offered by the previous manager. The Sheraton opened in 1980 and went through its first foreclosure in 1987. In three weeks, the Sheraton will change affiliations and become part of the Crowne Plaza Hotels & Resorts chain.

The Bed Wars

In fierce competition for the coveted business traveler, hotels hire sleep doctors to maximize comfort. Crowne Plazas Sleep Doctor is Michael Breus of Sound Sleep LLC. The beds in all 282 rooms will be replaced with more comfortable models, topped with mattress toppers, duvet covers and seven pillows. Crowne Plaza hotels have a quiet zone for business travelers where no rooms are rented to kids, groups or tourists during the work week. In addition, two or more floors will be reserved for priority club travelers, complete with an honors lounge. Then there's the bedside Sleep Kit. The sleep challenged can don an eye mask and ear plugs, which should help mask the noises from the trains a block away. A Sleep CD offers physical and emotional relaxation tips. And guests can even spray their pillows with a lavender scent.



