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BUSINESS

Massive proposed hotel would connect to Huntington Place in Detroit



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A massive hotel has been proposed for downtown Detroit next to the Huntington Place convention center.

The 600-room, 25-story hotel would be built near the former site of Joe Louis Arena and connect to the convention center. It also would neighbor a newly constructed 25-story <u>upscale apartments tower</u>, which is nearly finished and set to open early next year.



The proposed hotel would be the second largest hotel in Detroit, behind the 1,328-room Detroit Marriott at the Renaissance Center. The next biggest hotel is the recently renovated 453-room Westin Book Cadillac.

The new hotel's developer would be The Sterling Group, which is based in Detroit and also built the neighboring apartments tower. Construction could start as soon as the second quarter of 2024.

The hotel plan <u>was revealed in a notice</u> for the first of the project's future Community Benefits Ordinance meetings set for Jan. 9. The Sterling Group, which hasn't officially announced the hotel, had no comment Thursday regarding its plans.

Detroit officials have for years <u>bemoaned the city's lack</u> of a hotel attached to Huntington Place, formerly known as Cobo Hall. The situation is said to put Detroit at a disadvantage when pitching to host large conventions and events, as some competing cities can boast thousands of nearby rooms for convention center visitors.

"This is really critical for us," Claude Molinari, president and CEO of the Detroit Metro Convention and Visitors Bureau, said Thursday of the proposed hotel. "Even Cleveland has 600 rooms connected to their convention center. We currently have zero, and that puts us at a tremendous disadvantage when we're going after major business."

The hotel could also put Detroit in the game for landing high-profile events that are currently out of reach for lack of enough downtown-area hotel rooms. Molinari said one future possibility would be the NBA All-Star Game.

"They are on record as saying if you add 1,000 more hotel rooms to downtown Detroit, that event will come to Detroit," Molinari said.

Detroit has in fact already used the prospect of the proposed 600-room hotel being built to land host city honors for the 2027 NCAA Final Four and the U.S. Travel Association's annual IPW conference in 2028, Molinari said.

Both events are counting on the proposed hotel being open, he said.

The hotel would connect to Huntington Place via a pedestrian bridge. A rendering of the building shows it also connecting to the new apartments tower.

The hotel would be along the riverfront and have 20 floors of guest rooms atop five "podium" floors containing a restaurant, lobby bar, two ballrooms, a swimming pool and 50,000 square feet of meeting rooms, according to the project's meeting notice.

Detroit mandates a weekslong Community Benefits process for developments valued at \$75 million or more that seek tax abatements. Details of the abatements being sought for the hotel were not immediately available.

The Sterling Group, co-founded by metro Detroit businessman and banking executive Gary Torgow, acquired the old Joe Louis Arena site from a creditor in Detroit's municipal bankruptcy.

The creditor, Financial Guaranty Insurance Co., was initially given a development deal to construct a large hotel on the site, but the hotel requirement was later dropped.

Detroit has experienced a mini-boom in smaller "boutique" hotels since the mid-2010s and this summer saw the opening of the 158-room Cambria Hotel, 600 W. Lafayette Blvd.; the 227-room Godfrey Hotel, 1401 Michigan Ave. in Corktown; and the 117-unit extended stay ROOST Apartment Hotel in the Book Tower.

Other future downtown-area hotels are on the horizon:

- A new 10-story, 154-room Marriott International AC Hotel along Woodward near Little Caesars Arena that is under construction and expected to open in September.
- A 210-room Edition Hotel within the 49-story Hudson's site skyscraper in downtown that is under construction.
- A 14-story, 290-room hotel next to Little Caesars Arena that has yet to break ground.
- The future adaptive reuse of the 10-story Fox Theatre office building in downtown into a 177-room Fox Hotel.
- Conversion of the <u>nine-story Merchants Building</u>, 206 E. Grand River in downtown, into a boutique hotel.