

PENTA

High-End Hotels Become Offices During Pandemic

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The InterContinental Washington D.C.-The Wharf has seen an uptick in guests whose offices remain closed. Courtesy IHG/Mark DeLong

Prior to the Covid-19 pandemic, various hotels had recognized that their public areas were being used as working spaces and co-working venues. Trendy properties such as the Ace Hotel in New York and InterContinental Los Angeles Downtown maintained lobbies that double as communal work/play spaces, attracting an eclectic mix of entrepreneurs and freelancers.

Now, in response to the unprecedented disruptions caused by the pandemic, including a near total halt to all corporate travel and meetings, hotels from coast to coast have offered up guest rooms for office use. Some are looking to bring in new revenue streams, while others are responding to their clientele's requests for a comfortable workspace while maintaining social distancing. Most offer a special rate to use a room just for the day, and perks generally include a spacious desk or workstation, high-speed internet, a minifridge, and other creature comforts.

This approach appears to hold several benefits for all involved. For some, working from home isn't a comfortable or realistic option—family distractions, annoying roommates, and spotty internet connections are common culprits—and for those concerned about social distancing, it doesn't get more private than working alone out of a hotel room. The hotels are already exhibiting an abundance of caution, investing time and expenses to clean and ensure safe conditions, and management is eager to keep staff busy and employed while occupancy rates remain a fraction of normal levels.

Guests taking advantage of these new opportunities will enjoy a comfy working environment, but generally won't have access to all the perks that accompany a normal overnight stay. Pool and gym facilities are usually off limits, and most hotels aren't offering loyalty points or rewards credits for guests not staying overnight.

Southern California residents looking for a stunning private work space can head to the Malibu Beach Inn, where guestrooms are perched directly above stunning Carbon Beach. For \$250 per day, the hotel's "YOUwork" package includes access to an oceanfront room from 9 a.m. to 5 p.m., lunch from the in-house Carbon Beach Club, a sit down/stand up desk with strong Wi-Fi, bottled waters and Nespresso, and free parking, not to mention calming ocean sounds and breezes. Those who can't bring themselves to depart at the end of the work day can upgrade to an overnight stay for an additional \$245.

"We started off with just one room and are now up to three. Demand is very high. These are primarily people working from home and just needing a break or a different point of view," reports the hotel's general manager, Gregory Day who says rooms have been booked regularly. "We are all still learning what is needed in our new Covid-19 environment. For the rate we charge, it's certainly not about making money."

Further south along the coast, two Meritage Collection hotels are now offering the option to rent rooms for daytime office use. Paséa Hotel & Spa in Huntington Beach lets locals enjoy an oceanfront office for the day (starting at \$129, available Monday through Thursday from 7 a.m. to 7 p.m.), while Estancia La Jolla Hotel & Spa in La Jolla's famed Torrey Pines area is offering "Office Zen" rooms (starting at \$69, weekdays from 7 a.m. to 7 p.m) with views of the property's lush gardens. Also available is a private wellness suite that comes equipped with interactive Mirror workouts.

“The Office Zen package was developed as a way to connect with our local community and offer a quiet place to work that’s free of distractions to finish or deliver a presentation, take calls, or simply get some work done in a serene setting,” says Paul Maddison general manager of Estancia La Jolla. “We don’t have an official end date for this package but plan to offer it as long as our local community needs a place to retreat for work,” he says. The hotel has allocated about 15% of its rooms for this package, and they do sell out on occasion.

Each package includes Wi-Fi, unlimited coffee and tea, parking, and a complimentary bottle of wine. As with other leading hotels, the Meritage properties are taking extreme measures to ensure cleanliness and safety; used rooms are left empty for 72 hours, then disinfected, and check-in is designed to be touchless.

One of Los Angeles’s buzziest properties, The London West Hollywood at Beverly Hills, has gone to even greater lengths. In preparation for the June 1 launch of the Offices at The London West Hollywood, an assortment of the hotel’s guest rooms have been converted to private office spaces, which can be rented on a monthly or longer basis without the annual lease agreement and deposit required by most commercial real estate.

“The idea came from my morning commute. I was listening to CNBC interviewing a business leader about the challenges of adapting to the new social distancing requirements for the workplace,” explains Greg Velasquez the hotel’s director of sales and marketing. He realized that the hotel’s size and layout of our guest rooms—including 725 square feet, wet bars, private balconies, and rectangular floor plans—made them perfect offices.

“The hotel environment is highly controlled: cleaned constantly, staffed around the clock, open seven days a week, capable of offering F&B service—all of these attributes that made them ideal for offices,” Velasquez says.

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Velasquez says he spoke to an interested party who, at first, thought the monthly price was steep, before realizing “that our offices were so well appointed and set up for conducting business from day one.” Another plus

will be the ability to access the hotel’s open areas such as Hampton Court, “where he could meet with clients in an open air setting that was still conducive to business,” Velasquez says. Another plus: The flexibility of lease agreements, as workers can extend week to week after the first 30 days and tailor the lease to fit their needs.

The package, which starts at \$5,000 per month for suites ranging from 725- to 1,975-square-feet—under standard daily hotel rates, the same rooms would typically go for more than double that amount—could be ideal for businesses planning to reopen their offices but not fully prepared to accommodate the social distancing requirements within their existing workplaces. The hours are from 6 a.m. to 10 p.m.

Each office, a converted guest room with the bed removed, includes a work desk, chair, wall-mounted television and furniture, all utilities, high-speed internet access, and limited janitorial service. (Secured valet parking for an additional monthly rate of \$300 per vehicle is available.) Additionally, the hotel’s executive chef, Anthony Keene has created a special “commissary menu” for office guests; meals can be picked up at a to-go station at the lobby’s London Bar or delivered to office suites for a service charge.

“Ideally, we want to be of assistance to the business community as we rebuild our local economy,” Velasquez says. “The entertainment industry and related sectors, such as talent representation, law firms, and media agencies, have been our clients for years, and we’d like to help them get back to work any way we can.”

A pair of Midwest hotels in historic buildings have also gotten in on the act. Housed in Chicago’s architecturally significant New York Life Insurance Building, the Kimpton Gray Hotel offers a flexible home office package that lets guests stay for the night or just a few hours. The handsome, modern rooms, which stand in contrast to the building’s restored 19th-century terracotta and marble details, are offered with flexible check-in and check-out times to accommodate any work schedule.

In Kansas City's Country Club Plaza district, the Raphael Hotel is housed in an Italian Renaissance Revival style building dating to 1928 that's listed in the National Register of Historic Places. From 7 a.m. to 7 p.m. daily, office suites are offered, according to Patrick Joyce the hotel's director of sales and marketing, who notes how the hotel is "providing a solution to people in the community looking for safe, remote workspaces without memberships or monthly commitments."

Several other hotels around the country have also pivoted from their normal operations. The Ballantyne A Luxury Collection Hotel, Charlotte is offering 24/7 use of their boardrooms as private offices on a weekly basis for \$500 per week (plus tax), which includes all utilities, high-speed internet access, and limited housekeeping services. On the popular summer destination of Mackinac Island, Mich., the Mission Point Resort has reimagined its new, flexible meeting space into a safe and efficient remote working environment for when it reopens in late June. Vacationing guests needing to get work done have use of 14,000 square feet meeting space and 13 breakout rooms

The Marriott Marquis Houston is currently offering some of its guest rooms for use as daytime work spaces (\$99, Monday through Thursday from 7 a.m.-5 p.m.), at the maximum capacity of one person per room. Daytime guests can order lunch to their room and also receive a wristband and hang out by the hotel's famous Texas-shaped lazy river for a break during the day.

"We wanted to offer locals a space to get away from distractions or to find motivation in a new space—if even just for the day," says Dave Swift the hotel's director of sales and marketing.

While not offering any sort of special package, The InterContinental Washington D.C.-The Wharf has seen an uptick in guests whose offices remain closed but are seeking a work space outside of the home. The hotel's rooms feature an enhanced cleaning protocol designed in partnership with the Cleveland Clinic.

"There seems to be a strong desire to get out of the house and work in a relaxing, quiet environment," says Cat Carter, the hotel's director of sales and marketing. "We see guests coming in with their laptop bags and files, pacing the lobby taking calls and adding fantastic reviews noting their productive stay."