EXPANSION AND RENOVATION

A better Broadmoor

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15 YEARS INTO A MAKEOVER COSTING MORE THAN $250 MILLION, THE 5-STAR RESORT SECURES ITS EDGE WITH OPENING OF GIANT HALL

By RICH LADEN THE GAZETTE

Fifteen years ago, The Broadmoor hotel needed more than a face-lift. It needed an extreme makeover.

The old Broadmoor World Arena, since razed, was “rundown, dilapidated and smelly,” said current hotel president Steve Bartolin. An ugly chain-link fence ran along the southern border of the 3,000-acre hotel property, and wood walls of its golf club were so rotted you could stick a finger through them, he said.

Opened in 1918 by Spencer Penrose, the Grande Dame of the Rockies was spiraling downward, Bartolin said. A month after Bartolin arrived in 1991, the Mobil Travel Guide and AAA told him they were downgrading the Colorado Springs hotel from the five-star and fivediamond ratings, respectively, they had awarded it for years.

“You still had the grandeur, and the structure of the main building had that face on it that’s gorgeous and timeless,” Bartolin said. “But when you looked behind the curtain, to the scrutinizing eye of a purchaser, a high-end consumer that’s coming for a social visit or a meeting planner deciding where to bring his visit, this thing wasn’t passing the test.”

So when The Broadmoor cuts the ribbon Monday on its $28 million Broadmoor Hall — 60,883 square feet of pillar-free exhibition space — it will signal more than an effort by the hotel to capture additional conventions, meetings and guests.

In an era of cutthroat competition among high-end resorts, Broadmoor Hall is the continuation of a nearly 15-year makeover designed to maintain The Broadmoor as one of the world’s elite hotel-resorts.

By the time a renovation of The Broadmoor’s south tower is completed next year, the hotel will have spent about $250 million since 1994 — ex-panding to 700 rooms, constructing The Broadmoor West tower, adding a luxury spa, pool complex and 21-suite building, and renovating the hotel’s main building, among other upgrades.

“If you’re going to be considered one of the top resorts in the world, which is what the five-diamond rating represents, you’ve got to stay on top of your game,” said Michael Petrone, AAA’s director of tourism information development. AAA has given The Broadmoor its top five-diamond rating every year since it started awarding diamonds in 1977.

In addition to Broadmoor Hall, new rooms and other amenities, the hotel’s real estate arm has actively developed luxury housing.

The gated Broadmoor Resort Community was built nearby in the 1990s. Now, The Broadmoor is building 86 townhomes and condominiums — down from 160 — on the hotel property. Other resorts have developed onsite living, too. Wealthy people not only like staying in luxury hotels, they enjoy living there because they can dine at posh restaurants or shop at upscale stores.

Prices for the hotel’s townhomes and condominiums range from $1.2 million to
$2.5 million. Demand is strong; 32 of 33 condos have been sold, and all 19 of the first-phase of townhomes — designed as brownstones — are sold. The Broadmoor is using townhome and condo sales to help finance the current round of improvements.

The upgrades are drawing praise from guests and some local residents.

“It’s my first time here, and it’s just spectacular,” said Ted Zirkle, an Oklahoma City businessman whose lending company held a conference at the hotel this month. “I called my wife and said this is the place we need to come for our anniversary or something.”

Cheryl Tolley, a longtime resident and president of Broadmoor Information & Security, the private, nonprofit security service for Broadmoor neighbors, said the hotel changes are impressive.

“The hotel is prettier than it used to be,” she said. “It offers more. I think everybody is really pleased with it.”

That show of pride isn’t shared by everyone. Critics complain the hotel has rammed its agenda down the throats of nearby residents. What’s good for The Broadmoor isn’t necessarily good for them, they say.

When The Broadmoor sought to expand a restaurant building a few years ago, it was sued by neighbors who complained the project would draw more traffic.

More recently, some residents opposed Broadmoor Hall for fear it would increase traffic and street parking.

“How about railroading, how about bullying?” Rebecca English, who lives two blocks from Broadmoor Hall, said of the hotel’s push for the project.

English said she’s skeptical of hotel promises that Broadmoor Hall attendees and hotel guests will park in a new underground garage and not on nearby streets.

“I’m very, very disappointed in both our (city) council and . . . The Broadmoor hotel for pretty much figuring out what they wanted to do, how they wanted to do it and then, to heck with what the neighborhood wanted.”

Neighbors aren’t the only critics. Some business people and civic leaders were furious when the hotel fought a downtown convention center that had been proposed in recent years.

Bartolin wrote letters and e-mails to warn the City Council that financial projections for a downtown venue and an adjoining hotel were wildly optimistic.

He even hired a consultant who produced a report critical of the project — no surprise to convention center supporters.

The Broadmoor then spent $50,000 to help a citizens group get a measure on the ballot restricting city government’s ability to build a convention center. A month after the measure passed in April, convention center backers shelved their project.

Springs developer Jeff Smith, whose Classic Cos. wanted the convention center to anchor a southwest downtown redevelopment project, said his company will have its Christmas party at The Broadmoor as usual.

“We want to enjoy that great asset just like any other customer who comes there,” he said. “They did what they had to do to protect their investment.”

Yet, The Broadmoor derailed potential economic benefits of $90 million in spending and 1,200 jobs a consultant estimated would have been created by a downtown convention center, Smith added.

“There’s a reason there’s a big fence around the Broadmoor,” Smith said. “They want to try and capture as much of that spending on their own property.”

City officials and business leaders should appreciate what The Broadmoor did, Bartolin countered. Based on the hotel’s years of experience hosting meetings and conventions, a downtown center never would have drawn the number of events and hotel stays that were projected.

“I’ve always believed when you do what you think is right, you’re always going to have some critics,” Bartolin said. “But in this case, somebody should say thanks.
Because the city dodged a bullet."

If a convention center wouldn’t work for downtown Colorado Springs, why will Broadmoor Hall succeed?

Unlike traditional convention centers elsewhere, The Broadmoor will provide exhibition space rent free in the new venue. Its goal: capture hotel guests and boost occupancies during the late fall, winter and spring.

Mike Dimond, The Broadmoor’s senior marketing vice president, said the exhibition space will allow the hotel to compete for 90 percent of all trade shows in North America.

A 2-year-old economic-impact study conducted for the hotel by KPMG Economic Consulting Services estimated Broadmoor Hall would generate $237 million in spending, wages and tax revenue in Colorado Springs during 2007, while also creating nearly 2,000 jobs.

The Broadmoor’s existing International Center and Colorado Hall couldn’t accommodate some events the hotel now expects to attract.

The Springs-based U.S. Space Foundation, which holds its annual Space Symposium at The Broadmoor and draws attendees from around the world, was running out of room and talking of going elsewhere, Bartolin said.

In April 2007, The Broadmoor has booked the Wichita, Kan.-based International Pizza Hut Franchise Holders Association, whose 1,200 attendees will fill the hotel’s 700 rooms for four nights and spill over to nearby hotels.

Meeting and events manager Jennifer Green said her group — which includes Pizza Hut franchise owners and operators, corporate officials, vendors and others — considered the Colorado Convention Center in Denver.

But the group would have been one of several users in the 600,000-squarefoot convention center, Green said. Her group will have Broadmoor Hall to itself. The group also likes Broadmoor Hall’s size and the hotel’s amenities.

“There are not a lot of facilities across the country that have that availability,” Green said. “I look at spaces for meetings of this size all the time. Unless you want to go to Florida every year or go to Las Vegas, your pickings are pretty slim.”

Warm-weather cities will pose stiff competition. Still, hotel officials say The Broadmoor’s allure and free space at the new hall will woo plenty of events.

“We’re not planning to make money off that hall,” Bartolin said. “We want the room nights. And that formula works for us.”

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$28 million

cost of building the Broadmoor Hall convention center

$2 million

original cost of Broadmoor construction in 1918

60,883

square feet of exhibition space in Broadmoor Hall, making it the largest ballroom west of the Mississippi River and outside Las Vegas
$237 million

Broadmoor Hall’s estimated economic effect in 2007

2,000

estimated jobs created through use of Broadmoor Hall

CHRISTIAN MURDOCK, THE GAZETTE - The Broadmoor resort viewed from the east Thursday. The Broadmoor Main is at center, in front of the lake. The large building in the lower right is the new Broadmoor Hall. Left of the hall near the golf course are the new brownstone townhomes, and condominiums are under construction in the upper center of the picture next to the golf course.
CAROL LAWRENCE, THE GAZETTE - The 19 brownstone units under construction at The Broadmoor were pre-sold and will be privately owned. More brownstones are planned.

KEVIN KRECK, THE GAZETTE - The Broadmoor Hall, which opens Monday, is shown under construction in this image from Aug. 24. The old hall couldn’t hold some of the events the hotel hopes to attract.
KEVIN KRECK, THE GAZETTE - Guests checked in at the front desk of the Broadmoor in August. The resort has earned a five-diamond rating from AAA ever since it started awarding diamonds in 1977.

CAROL LAWRENCE, THE GAZETTE - Broadmoor housekeeper Carol Ramsay made a bed in the hotel's south tower Oct. 6. The rooms of the tower will undergo a renovation beginning late this month.
Servers Wallace Fernandes and Desiree Glover wheeled carts of breakfast foods for a meeting at the Broadmoor on Oct. 6.

Go to gazette.com for an interactive glimpse of the Broadmoor Hall.