

# Hospitality



## The Advantages of Being Independent



An Interview with David J. Colella, Vice President and Managing Director, The Colonnade Hotel

Luxe Room (left); The Colonnade rooftop pool (above) and lobby (below)

**EDITORS' NOTE** David Colella is immediate past Chair of the board of directors of the Greater Boston Convention and Visitors Bureau, Board Chair Emeritus of both the Massachusetts Lodging Association and the Massachusetts Restaurant Association, and a member of the Board of Directors of Impact Melanoma. He was named Massachusetts Restaurant Association's Restaurateur of the Year in 2008, and he was recently inducted into the Massachusetts Lodging Association's and Massachusetts Restaurant Hall of Fame. Colella is a graduate of the Isenberg School of Management at the University of Massachusetts-Amherst.



David J. Colella

**PROPERTY BRIEF** The Colonnade Hotel ([colonnadehotel.com](http://colonnadehotel.com)) is an independently owned and managed lifestyle property featuring 285 sophisticated rooms and suites with 21st-Century comforts and amenities that are both high-tech and soft-touch. Situated in Boston's Back Bay, the property is home to the city's only rooftop pool and one of Boston's most popular restaurants, Brasserie JO. Opened in 1971 by Bertram Druker, the hotel is overseen today by his son Ronald Druker, President of The Druker Company.

### Where does the hotel market in Boston stand today?

We've had an incredibly great run since 2010, an average of 8 percent annual RevPAR growth through 2015.

We're currently seeing softening, with marginal increases in rate and flat occupancy. Boston, along with most major markets, will be facing a new reality, as RevPAR growth is slowing. That said, Boston's hotel community is strong and vibrant, complimented in part by the 8 percent growth in supply during the past three years, a supply that is an interesting mix of new hotel brands and product types.

### Is The Colonnade's growth coming more from rate or occupancy?

Both, but occupancy to a lesser degree. We continue to experience moderate rate growth, which will be held in check given the increase in supply. Demand continues to stay ahead of supply as the city relies on strong demand

generation from the world's best universities, medical institutions, and in recent years growth of the tech and life sciences industries.

### Has Airbnb had an impact on Boston?

It impacts everyone's clientele, given its varied product types. Airbnb has had a similar impact in the Boston market as it has in most other areas of the country. There has been significant growth in the number of listings. Right now, there are more than 5,000 listings in

greater Boston. Hotels are feeling the effect of Airbnb in occupancy and pricing power. Cities are losing substantial tax revenues, as Airbnb continues to go unregulated and not subject to the city hotel occupancy taxes. It is estimated that Boston lost \$8 million in taxes last year as a result, which could have been used in local communities, ideally to promote tourism.



### How hard is it to forecast today when the booking windows continue to get shorter?

Based on the size of our hotel and the groups that we cater to, as well as the fact that the majority of our business is transient, it is more difficult especially given the

increasingly shorter lead times. However, with new forecasting technology and a seasoned staff with longevity, we continue to adapt.

### Are you happy with where the property stands today and are there anticipated renovations on the horizon?

Our most recent renovation, or reinvention as we refer to it, has been very well received by our guests and the local community.

We're currently planning additional upgrades to the lobby, guestrooms, suites and meeting facilities.

### Brasserie JO has a strong local following. Is offering a full restaurant experience a must have in a property like The Colonnade and what has made the restaurant work so well?

Brasserie JO is just as strong a concept today as it was 20 years ago. Our plan is to implement minor updates to the menu. It helps drive our overall food and beverage offerings, including room service and our rooftop pool, where we also serve breakfast and an all-day menu, along with a full bar and entertainment.

### What is The Colonnade's advantage in regard to meetings and events?

Our 4,000-square-foot ballroom, along with our junior ballroom and numerous breakout rooms, and several boardrooms, allow us a great advantage when competing for corporate and association meetings, as well as social events.

### What is the benefit in being an independent property?

I believe that's one of our greatest assets. It allows us to be extremely creative in providing unique offerings in product, guest amenities, food and beverage offerings and programs, etc. At our rooftop pool, we offer mini concerts, yoga and boxing classes, private parties, and use of our new cabanas, all catering to our in-house guests and the local community. We also have one of the best locations in the city in the heart of the Back Bay, within walking distance to three of the city's biggest shopping venues, as well as Fenway Park, Symphony Hall and the museums. Our guests have access to some of Boston's best restaurants within walking distance. As an independent, we can adjust, adapt and create more quickly. The Colonnade Hotel can do many things that a chain hotel can't or, frankly, won't do. ●