

# INDUSTRIES

## Sweet Dreams

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Jiten Patel, left, built a Holiday Inn near the Sarasota-Bradenton International Airport with one goal: To build the most glorious Holiday Inn in America. The hotel opened last October to rave reviews. Standing next to Patel is Mohammad Gharavi, the hotel's general manager. Photo by Mark Wemple.

### REVIEW SUMMARY

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*Key*. Developer spent \$25 million to build a high-end Holiday Inn near the Sarasota-Bradenton International Airport.

Jiten Patel's entrepreneurial dream, to build the most stupendous Holiday Inn in America, directly across the street from the runways of an airport, appeared far-fetched to some observers.

But when Patel first embarked on the project five years ago, he saw nothing but a smooth ride. “When planning started,” says Patel, a Bradenton-based entrepreneur and real estate investor, “there was no risk.”

The uncertainties, however, grew quickly.

For one, construction began in early 2007, right before the boom began to bust. Patel has since pumped \$25 million into the hotel’s construction and interior build out — at least 20% more than it costs to build a standard Holiday Inn in most cities.

Moreover, the hotel’s location, next to a struggling local convention center and a few hundred feet from the private jet hangars for the Sarasota-Bradenton International Airport, wasn’t considered prime hospitality real estate by most developers. There are no other hotels, restaurants or retail shops within a short walk, a big negative in the industry.

But Patel persevered. The project took at least a year longer than he initially planned, but the Holiday Inn-Sarasota Bradenton Airport finally opened last October.

And the 135-room hotel is indeed dreamy: Unique features abound, from the central air conditioning system in the lobby that spritzes fresh scents to an indoor pool and spa to the skylight atrium, one of the only ones of its kind in the Sarasota-Bradenton market.

Patel also found a kindred spirit for his Holiday Inn vision in Mohammad Gharavi, the former general manager of the Hyatt Regency in downtown Sarasota. Gharavi led a \$22 million renovation of that Hyatt in 2008 before going to work for Patel.

“I looked at the growth of hotels in this town and said ‘what can we do to beat the competition, no matter where we are located,’” says Gharavi. “We wanted to do the same thing everyone else did, only better. We wanted to be able to take business from them.”

The mission has been successful so far, albeit on a limited scale. Gharavi says the hotel reached 80% occupancy levels in its first tourist season, compared to 40% occupancy rates a new hotel on the Gulf Coast normally reaches in its first six months.

Plus, anecdotally, the hotel’s amenities and features have the local hospitality and business community abuzz. Betsy Kane-Hartnett, executive director of Sarasota-based Forty Carrots Family Center, says the hotel turned out to be a spectacular place to hold a major fundraising event in March.

“Even if it was on the Embarcadero in San Francisco, it would still be a spectacular hotel,” says Kane-Hartnett, a veteran of the Sarasota-Manatee lunch party circuit. “If it had a different name and location, I have no doubt it would be getting accolades in Travel & Leisure.”

Officials with local visitors agencies are likewise impressed. “It’s one of the best hotels I’ve seen built in this area in a while,” says Elliott Falcione, interim director of the Bradenton Area Convention and Visitors Bureau. “It’s a great asset to the community.”

### **‘A boutique hotel’**

Patel owns the hotel through a franchise-like agreement with British-based InterContinental Hotels Group. IHG controls the Holiday Inn brand.

Executives with IHG have also taken notice of the Sarasota-Bradenton Holiday Inn, all the more so because the global hotel company is in the final stages of a five-year plan to upgrade hundreds of Holiday Inns. Patel’s is at the top of a short list of the best ones, says IHG spokeswoman Sarah-Ann Soffer.

“The design is indicative of the direction Holiday Inn is going,” adds Jay Dempsey, IHG’s area manager for the Gulf Coast, which includes 40 Holiday Inns from New Port Richey to Naples. “But that hotel goes beyond the minimum.”

Other Holiday Inns that have undergone similar top-notch renovations are ones in much bigger and busier locations, says Soffer, including Downtown Disney, Chicago and Greater New Orleans.

The challenge now for Patel, Gharavi and their team, of course, is to turn all this admiration and appreciation into sales and profits. The hotel is off to a good start, given its early occupancy rate figures.

More good news on that front: The hotel restaurant, Sporting News Grill, has outperformed the eight other restaurants that operate under the same name in Holiday Inns nationwide, says Gharavi.

The local executives hope the amenities and early success can be a springboard to overcome an unassailable fact: No matter how good it is inside, the Holiday Inn will always be a hotel by the airport — not the beaches and not downtown.

“We are an airport hotel,” concedes Gharavi. “But we say are a boutique hotel that’s near an airport.”

### **Unique features**

The boutique side Gharavi boasts about includes several features rarely found in airport hotels. Those include:

- A six-story atrium that reaches to the roof of the building. The atrium cost \$2 million to build;
- An indoor pool with a nearby sauna and steam room. The pool is also connected to a spa that offers everything from massages and facials to manicures and pedicures;
- A South Beach-themed outdoor dining and bar area with a fire pit and a cigar humidor. “We wanted to bring South Beach here without the beach,” says Gharavi;
- At least five family suites, each of which has a second room for kids decked out with bunk beds and a video game player to go with the 37-inch high-def TV set. Those suites normally go for \$140 a night off-season and \$240 a night in season;
- Custom-made bathroom mirrors with specialized lights in every guest room. The mirrors cost \$250 apiece, not the \$50 it normally costs to hang a mirror in a hotel. “We know from research that people like a lot of light in their bathrooms,” says Tom Yorke, the hotel’s sales and marketing director;

Finally, the hotel restaurant is an upgrade over the traditional airport hotel eatery. Run by well-known local chef Darrell Mizell, it includes chairs made out of basketball material and nine 50-inch high-def TV sets. Mizell was the executive chef of the Summerhouse Restaurant on Longboat Key and has worked for several other local hotspots.

“No other local hotel has a sports-themed restaurant,” says Gharavi. “No other hotel has a celebrity chef.”

### **‘Forecasts and calculations’**

Patel, the developer behind the hotel, is an engineer-turned-entrepreneur whose low-key approach belies his Holiday Inn’s razzle-dazzle. Patel, who goes by Jay, emigrated to the U.S. from India in the mid-1980s, when he took a job with the New York Department of Transportation.

He soon moved to Florida with his family, for a job with the Florida Department of Transportation.

Patel sought more than government work, though, and in 1988 he bought a Scottish Inn hotel in Lake City. He used savings and family capital to buy the property. Then, in 2003, Patel bought a Holiday Inn Express on State Road 64 in Bradenton, near Interstate 75. He sold that hotel in 2007.

But it was in 2005 when Patel, who is also an investor in a Tampa-based community bank, spotted the ideal location for his dreamy Holiday Inn. It was three acres next to the Sarasota-Bradenton International Convention Center. The convention center's owner, Oscar Parsons, also owned the land.

Patel, through his Bradenton-based Vinayak Properties, bought the land for \$1.5 million in 2007. He then took out a \$13.4 million mortgage on the property, according to Manatee County records.

The costs grew from there, through the recession, when Gharavi says he and Patel had more than a few 'what are we doing moments.' Jokes Gharavi: "We did so many forecasts and calculations that I thought my calculator would break 16 times over."

Still, Gharavi and Patel are ecstatic over the final product.

"We have gone above and beyond to produce a concept that is unique to this market," says Gharavi. "We are changing the perception of what a Holiday Inn is all about."

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