

RETAIL & MANUFACTURING

HOTEL BUSINESS

looking better in 2011

Room tax up nearly 10 percent last year; increasing traffic projected for this year

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MANKATO — After a dismal 2009, hotel visits were up in Mankato last year and, at least in part, managers have hail, high winds and tornadoes to thank. A room tax that is collected from hotels in Mankato is used to help fund the city's Greater Mankato Convention and Visitors Bureau. In 2009, those taxes totaled about \$324,000. That amount was up nearly 10 percent to \$360,000 in 2010.

"A lot of that is being attributed to construction companies," said Larissa Mrozek, tournament sales director for the Convention and Visitors Bureau. "Workers were staying in town to do roofing jobs from the storms. But it's also coming from conventions, tournaments and other events."

Being one of two downtown hotels connected to the Verizon Wireless Civic Center, the Hilton Garden Inn benefits more from convention and college hockey traffic than it did from construction workers, said Steve Tacheny, general manager. The newer hotel is going into its fourth year in business, and he is budgeting for a 3 to 4 percent increase in traffic in 2011.

He's not counting on civic center events to add to the hotel's room use this year, however. A couple of large conventions or meetings that have been in Mankato for the past two years are moving to different locations, Tacheny said.

"The events are down this year, so we're losing some business there," he said. "This is a great



John Cross

The Hilton Garden Inn in downtown Mankato, now managed by Steve Tacheny, is going into its fourth year in business.

venue for downtown Mankato, but I don't know that the Verizon Center has the accommodations for the larger groups that want to be centrally located.

"They're heading in the right direction. The Convention and Visitors Bureau is working hard to find reasons for people to be here. Last year's marathon was a big deal for our hotel."

Mrozek said she is expecting the second annual Mankato Marathon to be larger than last year. There are also many other tourism-related promotions in the works.

Last year was a good year for the AmeriCinn, which is near the Minnesota State University campus, said Preston Loughheed, general manager. As always, Vikings training camp provided a large

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amount of revenue for the hotel, but an increase in weddings also helped.

The hotel recently added a

large meeting area that also can be used for dinners and dances. There were 10 weddings booked at the hotel in 2009. That number more than quadrupled to 42 last year. Loughheed is expecting that number to increase again this year.

Convention and large event traffic benefit downtown hotels, but youth sports tournaments benefit every hotel in the city, he said. New soccer and baseball complexes scheduled to be constructed in Mankato and North Mankato should draw more of those events, Loughheed said.

There are already weekends in Mankato, especially during the state high school softball tournament and when the Vikings are in town, when it can be difficult to find a room in Mankato, Mrozek

said. There are plans to build a new hotel near the River Hills Mall this year.

Loughheed agreed that weekends are a busy time for hotels, but weekdays can be pretty slow. That would improve if Wal-Mart moves forward with plans to build a distribution center or other large industrial businesses decide to expand or locate in Mankato, he said.

Local hotels would likely see a large increase in business from the construction crews building the huge distribution center. Once the facility is up and running, the demand won't disappear, Loughheed said. There will still be truckers, sales people and others spending the night in Mankato because of the distribution center.



John Cross

John Sacco (center), owner of AmeriStar Manufacturing in Mankato, reviews a job with sheet metal supervisor Dave Clyne (left) and controller Joe Bohrer. In 2010, AmeriStar was named a top 40 facility in the country by The Fabricator, a large trade publication. See story on Page C3.



File photo

Peggy Grey is the owner of Mary Lue's Yarn and Ewe in Old Town. See story on Page C7.