



Print



Email This

## \$38M Hyatt breaks ground in Manatí

By ALEX DIAZ and JOHN MARINO  
[cbprdigital@gmail.com](mailto:cbprdigital@gmail.com)



Construction got underway Tuesday on a new Hyatt Place Hotel in Manatí that represents an investment of \$38 million and the creation of nearly 600 jobs, government officials said.

The 104-room hotel that broke ground in the north coast town is part of an aggressive global expansion by Hyatt Hotels that promises to boost the chain's total room inventory by nearly 30 percent within the next three years, according to company documents obtained by CARIBBEAN BUSINESS.

The chain will add 39,000 to a current inventory of 135,327 across its eight hotel brands.

While a small part of the development boom, Puerto Rico is partaking with the simultaneous construction of two Hyatt Place hotels. A 156-room hotel broke ground five months ago near the HIMA San Pablo medical complex in Bayamón.

"We are glad to work with Island Hospitality on a second Hyatt Place hotel project in Puerto Rico," said Pat McCudden, senior vice president, real estate and development Hyatt Hotels. "We believe that the Hyatt Place brand and the location of the hotel in Manatí will have strong appeal to business and leisure travelers visiting the region."

The combined 260 rooms mark Hyatt's reentry into the local hotel market after a nine-year absence. The only presence by the brand has been the 162-room Hyatt Hacienda del Mar vacation club in Dorado, a remnant of the days when Hyatt operated the beachfront Cerromar and Dorado Beach hotels in the northern municipality.

That property will soon be home to a new Ritz Carlton Reserve, developed by PRISA Group, a former Hyatt partner in Dorado and today one of two partners behind Island Hospitality, the joint venture that will own the Hyatt Place hotels in Bayamón and Manatí. The other partner is McConnel Valdes Consulting.



The Hyatt Place in Manatí, with a pool and casino, “will offer a quality lodging alternative on the north coast of Puerto Rico, increasing our tourism offerings for the enjoyment of our guests and all Puerto Ricans,” said Gov. Luis Fortuño, who attended the ground-breaking ceremony with Resident Commissioner Pedro Pierluisi.

“The strategic location of this hotel will serve the needs of tourists that look for medical services at area hospitals and those executives who visit the area to attend business at manufacturing plants,” he added.

The Government Development Bank’s Tourism Development Fund provided financing guarantees for the project.

The economic impact of each tourist brought to the island is \$3,597, which will generate and economic impact and generate increased sales for area businesses like Manatí Plaza and Trigal Plaza, officials said.

Pierluisi said the administration strategy of “expanding the tourist industry in Puerto Rico” is paying off with an improving economy and hotel occupation statistics. Hotel occupation statistics for June reflect a 10.2 percent increase from last year, he added.

“We continue to strengthen our competitiveness, increasing our hotel offerings and our value as a tourism destination,” Pierluisi said. “This investment represents hundreds of direct and indirect jobs and will impact area stores positively.”

Other new hotels being developed in the area include the \$342 million Hotel Dorado Beach Ritz Carlton, which will create 1,000 new jobs, and the \$49.5 million Hyatt Place Bayamón, which will create 764 new jobs, the governor said.

## Hyatt

Hyatt Hotels is not just making a comeback in Puerto Rico. The company is making up for lost ground nationally following the 2008-2009 Great Recession in the United States, which hit Hyatt harder than any of the world’s top 10 hotel chains.

The company’s high reliance on the U.S. mainland market, where it had 80 percent of its hotels just as the recession struck, led to severe drops in revenues and operating income, in turn forcing the company to shrink its room size by more than 17 percent, according to a recent Morningstar report.

The U.S. share has since fallen to 72 percent and will go down further, as 75 percent of the new 39,000 rooms will go up in other countries, mainly emerging markets where there are few hotels at a time when fast economic growth is leading to high tourism and business-travel demand.

In Puerto Rico, Hyatt has quite a ways to go if it hopes to catch up to its global rivals. While Hyatt will get going with 260 rooms in 2014, Hilton Hotels already boasts nearly 3,500 rooms to lead the pack on the island, followed by Marriott with just under 2,000 rooms and soon to add 750, Starwood with 1,164, Wyndham’s 1,133, and Intercontinental Hotels with 872.