
Hotels Continue to Pop Up

By Odessa Admin

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While activity in the oilfields may be slowing down, Odessa is still seeing new hotels coming in.

A 116-room Comfort Inn & Suites opened Dec. 30 at the northeast corner of JBS Parkway and Interstate 20. Close by, work has started on a new Super 8 Motel at Interstate 20 and South Pagewood Ave.

Work will soon start on another hotel in the Odessa Industrial Development Corps.'s business park, and four more are planned in the area, said Gary Vest, economic development director for the Odessa Chamber of Commerce.

"A lot of that has to do with the overpasses," Vest said.

The first overpass improved access between JBS Parkway and Interstate 20. The second, expected to open later this year, will connect the business park with JBS Parkway north of Business Interstate 20.

Vest said other businesses are already coming to the area as a result of the hotels. Land has been purchased for a convenience store on one corner lot at JBS Parkway and Interstate 20 and restaurants could soon follow.

"We've had some other inquiries," Vest said.

Other hotels could benefit, as well. A billboard on Interstate 20 is already touting a new Holiday Inn Express as being a four-mile drive up JBS Parkway, even though part of the road is still blocked off because of construction.

Sheila Pippins, a sales specialist with the Odessa Convention and Visitors Bureau, said that 102-room hotel is expected to open in the spring.

A new Marriott TownePlace Suites just north of Music City Mall will have 108 rooms and is expected to open in March, Pippins said.

As for the hotels that have yet to break ground, Pippins said she's heard nothing about the recession affecting their construction. But nothing is certain.

"We don't know for sure (that they are coming)," she said. "Hopefully, they'll still come."

Despite a downturn in the economy, the most recent statistics still show an increase in room occupancy. For the third quarter of 2008, Odessa hotels were 78.5 percent full, a 2.2 percent increase over the same period in 2007.

In room revenues, the number was more pronounced, increasing 41.3 percent from the same period the previous year to \$12.53 million.

Even though some time has passed since numbers were released, Pippins said hotels are still doing well.

"We're really pleasantly surprised at how they are continuing to stay at full capacity," she said.

Though oilfield activity has decreased, Pippins said many people are still living in hotels.

And room prices remain high. A check of a travel website showed per night prices in Odessa ranging from \$67 to \$163 during a week in February. On the weekend, rooms run between \$67 and \$130.

Abilene, by contrast, has seven hotels with lower rates than the \$67 the Odessa Days Inn charges.

But Pippins expects the prices to come down as new hotels open, partly because of the economy, and also due to the opening of the new hotels.

"Obviously you're going to have to come down on your rates to be able to compete with everybody else," she said.