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Tampa Hotels Hope Super Bowl Won't Be a Super Bust

Average four-star hotel room rates in Tampa stand to peak at \$512 this weekend—well below last year's \$2,294 peak



Tampa-area hotels like the Don CeSar in St. Pete Beach saw occupancy rates fall in 2020

PHOTO: COURTESY OF THE DON CESAR

The Super Bowl usually has one guaranteed winner: the host city's hotel owners. But this Sunday, hotels in the Tampa, Fla., area are hoping not to feel like losers.

When the National Football League awarded <u>Super Bowl LV</u> to Tampa in 2017, it was like hitting the jackpot for local hotels, bars and restaurants. Many host city hotels count on Super Bowl weekend to help make their year. Hotel owners can typically raise room rates by at least 50% above the seasonal norm as football fans vie for a place to stay.

But for a number of reasons, demand for Tampa hotel beds is now likely to be far lower than usual for the big game this weekend. Thanks to Covid-19-related attendance limits, only 24,700 people are expected in Tampa's Raymond James Stadium on Sunday, far below its capacity of around 66,000. Many fans may be reluctant to travel by air during the pandemic and stay home.

The football gods also conspired against Tampa hotel owners with the two teams squaring off in the Super Bowl. Because one is the hometown Tampa Bay Buccaneers, fewer fans are expected to come from out of town and require lodging.



A large company that had booked more than 100 rooms at the Don CeSar hotel canceled them in December.

PHOTO: COURTESY OF THE DON CESAR

Average rates for four-star hotel rooms in Tampa stand to peak at \$512 this weekend—well below the \$2,294 peak at last year's Super Bowl weekend in Miami, according to projections from data-analytics firm Sport Management Research Institute. Its projected room-rate increase of 112% in the two weeks leading up to the event is also smaller than last year's bounce of 187%. Because Super Bowl tickets are expensive, attendees tend to be wealthy, meaning the reduction in business will be especially hard on pricier hotels.

But Mr. Morrison expects hotel occupancy in the county to reach between 75% and 80% this weekend, up from a low of 17% in April. And Tampa hotels did better business than any other major market in 2020, the hospitality industry's worst year in living memory.

The Tampa area—warm, sunny and within driving distance of other big population centers—had the highest hotel-occupancy rate among the 25 biggest markets in the country, according to data company STR Inc. Though with 2020 occupancy levels at 50.8%, that was still 29.4% below 2019 levels.

While the Super Bowl is pushing up hotel rates less than in previous years, any boost makes a big difference, said Suzanne Amaducci-Adams, head of real estate at Miami law firm Bilzin Sumberg.

"The impact very well could be more meaningful, because it's at a time when people need a lot of business," said Ms. Amaducci-Adams. She pointed to the Orange Bowl and the College Football Playoff National Championship game, held in the Miami area in January, which drew in fewer fans than usual but still pushed up hotel revenues.



The Don CeSar is hosting a craft-beer festival the day before the Super Bowl. PHOTO: COURTESY OF THE DON CESAR

Tampa hoteliers are trying to innovate to generate demand. Mr. Morrison said some are offering packages where guests can watch the Super Bowl in their suites with friends and room service along with perks like limousine transportation to golf outings. "I've been amused to watch the creativity of our industry to turn what could be a lemon into lemonade," he said.

A major American company booked more than 100 rooms for Super Bowl weekend, planning to fly in employees and clients to stay at the 277-room Don CeSar hotel in nearby St. Pete Beach. But the company canceled in December amid concerns over the pandemic, said the hotel's general manager, Thomas Fraher.

Now, Mr. Fraher is hoping to target locals looking to take the weekend off for the Super Bowl. The hotel is helping to organize a craft-beer festival on the beach the day before the Super Bowl to attract visitors. Mr. Fraher said he saw a brief surge in bookings after the NFL conference finals, and is banking on more last-minute reservations to bring the hotel close to full occupancy.

Still, room rates are likely to be hundreds of dollars lower than the hotel had projected under more normal circumstances. "We've been looking at it like just another fabulous beach weekend," he said.