



Construction zone

Budget-conscious hotel chain plans extended stay in Columbus

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By [Mike Pramik](#)

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A recently established national hotel chain bent on expansion has landed in central Ohio.

The first local Value Place extended-stay hotel opened in April at 2305 N. Wilson Rd. on the West Side. Plans call for eight more in the area, helping to stoke the ambitious growth strategy set by company founder and hotel trailblazer Jack DeBoer.

Forget the swimming pools, gyms or continental breakfasts. Value Place hotels are trying to appeal to people who don't want to pay for frills.

Rather, they're going after budget-conscious business travelers such as small-business owners, construction workers and government employees with conservative travel budgets. Value Place also wants to cater to military personnel and families who need affordable extended-stay options.

"We're driving amenities out of the extended-stay hotel and offering clean, low-cost places for people to stay," said Shay Stegmeier, director of brand communication for Value Place.

Value Place is based in DeBoer's home of Wichita, Kan. DeBoer, who founded the Residence Inn, Candlewood Suites and Summerfield Suites extended-stay brands, has said he wants to open 1,000 Value Place properties in 10 years.

That's nearly double the number of Residence Inns in the United States, but DeBoer is well on his way. Representatives of 4-year-old Value Place said they will open their 100th hotel this summer and plan to have 150 by the end of the year.

"It sounds aggressive, but it sounds like he's got a vision," said Eric Belfrage, vice president of CB Richard Ellis Hotel Group. "Jack DeBoer is a visionary, and he's saying he's going to shoot for the stars here."

Value Place is expanding so quickly by franchising, and DeBoer is assuming a leading role. Stegmeier said he and company Chief Executive Greg Kossover are franchisees with 30 hotels. There are no company-owned properties.

David Key, one of two franchisees building in central Ohio, thinks the brand will quickly establish a foothold because of its price point: about \$200 for a week's stay. More expensive extended-stay properties, such as the Residence Inn concept that DeBoer sold to Marriott, typically set prices by the day.

"Look at how people travel today," said Key, who co-owns Wichita franchisee BGS Cos. "Government (employees) get \$60-\$65 a day. They can stay at a property like ours for a week and pocket the difference."

BGS Cos. has a Value Place under construction at the Ashton Crossing development in Pickerington and two more on the drawing board.

One is a site at Hamilton Road and Rt. 33, where Key expects a Value Place to be in operation in September. BGS recently worked with Mike Simpson of NAI Ohio Equities to purchase a 1.7-acre site in Urbancrest where in early 2009 a Value Place will emerge northwest of the I-270 and Rt. 62 intersection.

Key said the company has not decided on a fourth site, but it will be between Downtown and Gahanna.

An Orlando, Fla., franchisee owns the West Side Value Place and plans to build four more here.

Belfrage thinks the developers would do well to avoid high-priced land at places such as Easton and Polaris.

"They're in secondary locations because they don't need to appeal to a transient customer," he said. "They're not a business-class hotel."

Key said BGS is planning to build as many as 25 Value Place hotels. It opened its first in Atlanta and is developing properties in seven other cities, including Columbus, which he thinks will jump at the off-price brand.

"Maybe we don't have a pool, but (customers) wouldn't have used it anyway," he said. "We took the frills off of it and allowed them the basic comforts of home. They can bring their computer and clothes, and if you want to cook in your room, you can."

"But Domino's delivers anywhere, too."

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