

# Watery wave of the future

The traveling public can't seem to get enough of waterparks, and hotels here and elsewhere are cashing in on the trend.

**Susan Feyder**, Star Tribune

April 7, 2006 --- About a year before he opened his first Twin Cities hotel-water park, Jeffrey Wirth and his development team spent a long fall weekend in the Wisconsin Dells, the birthplace of the concept and self-proclaimed Water Park Capital of the World.

Wirth and his colleagues weren't trying out the body slides. They spent most of their time pacing the parking lots at the Kalahari, the Great Wolf and a couple of other big water-park resorts.

"We counted license plates," Wirth said. "And what we found was that about 70 to 80 percent of the plates were from Minnesota."



Jeffrey Wirth, the developer of the Water Park of America near the Mall of America in Bloomington, stood inside a 9-foot-diameter tube that will carry four-person rafts to what is billed as the nation's tallest indoor water slide — 10 stories high. **Glen Stubbe**, Star Tribune

It was all the confirmation Wirth needed to proceed with a plan to add an indoor water park to the former Ramada Inn he had just purchased in Brooklyn Park and was renovating. Since reopening that property as the Grand Rios in 2004, Wirth has seen the hotel's occupancy rise from a lackluster 25 percent to an average of 60 percent on weekdays. On weekends and during peak vacation times like school breaks, the Grand Rios is usually sold out, thanks to its 45,000-square-foot water park, which charges non-hotel customers up to \$24.95 for admission.

Now Wirth is about to launch an even more ambitious hotel-water park development, this one in the shadow of the Mall of America.

In a couple of weeks, the pumps will turn on for the first time at Wirth Companies' Water Park of America, filling the pools and canals and priming the surf ride, water cannons and tubular slides, including one that twists and turns from 10 stories high.

The \$105 million development, which includes the 403-room Grand Lodge hotel in addition to the 75,000-square-foot water park, is scheduled to open May 15.

"There's no such thing as an ordinary hotel swimming pool anymore," said **Jeff Coy, an Arizona-based consultant and expert on water parks.**

## Love of aquatic activities

Wirth and developers nationwide are tapping into travelers' love of aquatic activities and retrofitting existing pools or adding water parks to their properties. Those that don't upgrade risk losing business to competitors, **Coy** said. In the Dells, the 18 hotels with large water parks capture about 85 percent of the area's room revenue, he said, leaving the other 44 hotels to scrap for the remaining 15 percent.

A study by **Coy** found that by the end of this year, there should be more than 140 hotel-water parks nationwide. That's 100 more than five years ago. While Wisconsin still has the most such resorts, other states are adding to their numbers. Those figures don't include water parks that have expanded and added attractions, including wave pools, giant raft slides, swirling "bowl rides" and rides with interactive, sound and light features.

"It's the opposite of most trends that start on the coasts and work their way into the heartland," said Jeff Nodorft, director of aquatics engineering for Ramaker & Associates, a Sauk City design and engineering firm whose projects include water parks at the Kalahari and Great Wilderness resorts in the Dells as well as the Grand Rios and Grand Lodge. Nodorft said the biggest untapped markets are the large East and West coast population centers.

Ramaker's projects include one in Reno, Nev., for a development team whose partners include Bob Pace of St. Cloud. Pace's other projects include the Serengeti Water Park that was built along with a Holiday Inn & Suites hotel in Owatonna. The Nevada project is transforming a former Reno Hilton into a 145-acre development that will include luxury rooms, condo units, restaurants, retail and recreational attractions that include 150,000-square-foot indoor and 50,000-square-foot outdoor parks.

That doesn't mean Wisconsin, which had 35 hotel water parks at the end of last year, and Minnesota, which had 20, don't have room for more water parks, **Coy** and Nodorft said. Pace said he's interested in this market, although he has no projects in the works now.

But Wirth thinks that the Dells' market is overbuilt and that the Twin Cities might have trouble supporting resorts beyond the two he controls.

"The Mall of America area is an excellent location, and Wirth will do very well there," **Coy** said. But the area could support two or even three hotel-water parks, especially if they had different designs and features, he said.

The mall area was to have two other water parks: One was to be part of the Phase II expansion of the mall itself and another was included in early plans for a hotel to be built as part of the \$700 million Bloomington Central Station development on 34th Avenue S. near Interstate Hwy. 494. Both proposals were dropped.

But other developers haven't been deterred. **Coy** said 15 hotel-water parks are on the drawing boards throughout Minnesota.

They include a 25,000-square-foot park to be built as part of a Holiday Inn & Suites at the Fountains of Arbor Lakes development in Maple Grove. Developer Tom Torgerson said he's not worried about Wirth's facilities or others that might spring up in the area. "We're not out in the sticks someplace," he said, adding that Arbor Lakes stores should help draw traffic.

Wirth said he expects the market for the Grand Rios and Grand Lodge to be slightly different. While the Brooklyn Park complex draws mostly a statewide clientele, including people who used to travel to the Dells, the Grand Lodge should attract more national and international guests drawn by the mall. The Grand Rios' Caribbean theme invites guests to escape Minnesota. The water park at the Grand Lodge has been designed to celebrate the state's attractions like Lake of the Woods, Minnehaha Falls, Devil's Island Cave and the St. Croix River.

In both cases, guests will pay more for their rooms because of the water park, Wirth said. On weekends, a standard double room at the Grand Rios costs \$199 a night, about \$70 more than weekdays. Wirth said a Grand Lodge double room will probably be about \$119 on weekdays but about \$100 higher on weekends.

**Coy** said his research has shown that people will drive farther to stay at hotels with water parks, stay longer and pay more than at hotels that don't have the facilities. On average, hotels with indoor water parks charge \$69 more per night than hotels without water parks, he said.

Wirth said he and others at his company learned some lessons in developing the Grand Rios that have proved valuable for the Bloomington project.

"We failed [in Brooklyn Park] to separately name the hotel and water park," he said. "To this day, a lot of people don't know that it's a hotel that can be used even if they're not interested in the water park."

### **Separate entrance**

In Bloomington, the properties will have more distinct names -- the Grand Lodge and the Water Park of America -- and although they are connected, there will be a separate entrance for water park-only visitors. A 5,800-square-foot video arcade is accessible from the water park, but not the hotel.

In the hotel, there will be a separate bank of elevators for the water park so that guests don't have to traipse through the hotel lobby in swimsuits. The park will have its own casual cafe, while the hotel will have two restaurants -- the Sleepy Eye Cafe and the more upscale Split Rock Bar & Grill.

The goal is to make the Grand Lodge family-friendly but also attractive to business travelers and people without kids. Hotel amenities will include a spa, fitness center, a business lounge and wireless Internet access in guest rooms. The rooms themselves are designed

for double duty for adult travelers or families, with flashlight-equipped bunk beds that can be curtained off.

"We've learned a tremendous amount from our experience in Brooklyn Park," Wirth said. "You're not just dealing with a hotel. It's a whole entertainment facility."

### **Water, water everywhere**

#### **Hotel/waterparks nationwide:**

2002: 50

2003: 65

2004: 81

2005: 104

2006: 141

Source: Hotel/Waterpark Resort Research & Consulting, **Jeff Coy** & Bill Haralson.