

Starwood Hotels & Resorts Worldwide, Inc

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pipeline in the next three years. Properties in the international pipeline include the Element Frankfurt Airport in 2014; the Element Vancouver Metrotown in B.C., Canada in 2014; the Element Suzhou Science and Technology Town in China in 2015; and the Element Calgary Airport South in Alberta, Canada in 2016.

The Element Frankfurt Airport in Germany and the Element Suzhou Science and Technology Town in China mark the first Elements in Europe and Asia, respectively. “We’re bullish on both of those markets,” McGuinness said, adding that—just like the Element Vaughan Southwest—those locations were good fits. “We have a target list,” he said, adding that gateway cities and airports are the types of places brands want to be. “Internationally, we love London, Brussels, Beijing and Singapore,” he continued. McGuinness



Brian McGuinness,
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noted that when the brand began looking at Shanghai and talking to development partners, Suzhou Science and Technology Town made the most sense. “There are initiatives around energy management, and the entire city is tech savvy, but, at the same time, cognizant of the impact on the environment,” he said. “That’s a huge win for Element.” According to McGuinness, it is a balance between “where there are needs for hotels” and the “right development, right location.”

When asked if international markets pose any additional challenges or advantages to an eco-friendly brand, McGuinness answered, “There’s more due diligence around initiatives to validate our claims are true,” adding that this refers to measures like making sure recycling gets to the right facilities. In addition, there is more due diligence making sure recycled building materials



The Element Suzhou Science and Technology Town will open in China in 2015.

what’s being utilized.

However, McGuinness noted, “As far as the actual programs or systems in hotels, the adoption rate has been seamless.” He added that outside the U.S. “energy management has absolutely been part of the way they live their lives.” Initiatives like low-flow fixtures and dual-flush toilets have been around for years, and in many international markets, the “expectation is that we’re doing this already.”

As for the next step for Element, McGuinness said that resort markets would be a natural fit, since the brand features

bigger rooms, kitchenettes and are pet- and family-friendly. “Resorts are cognizant of natural resources,” he said, “so these practices would be well accepted.”

“The paramount goal for the brand is to be true to itself,” he continued, noting that it is about striking the balance between “not green-washing it” and making sure the customer impact is such that “we never compromise the stay with these initiatives.” In addition, the third goal is, of course, to expand the footprint. “Our customers and our guests are apt to that,” he concluded. **HB**

Extended-stay hotels: Are your operations compliant with the FHA?

Are the operations you have in place for your extended-stay hotel compliant with the Fair Housing Act (FHA)? The practices discussed below are just a few considerations to help you comply with the FHA and avoid liability:

FHA can apply to extended-stay hotels. Passed by Congress in 1968, the FHA generally prohibits discrimination in the sale or rental of housing based on race, color, religion, sex, familial status, national origin or handicap.

Many owners and operators of extended-stay hotels may not know that the FHA may protect the occupants of their hotels. The FHA applies to the sale or rental of “dwellings.” Whether a building is a dwelling, however, hinges on the intent of the occupant. For instance, does the occupant intend to remain in the facility for a significant period of time? Is the facility designed for an occupant who intends to remain in the facility for a significant period of time? Does the occupant view the facility as a place to return to? Or, does the occupant have an alternative place of residence?

Historically, the courts have viewed hotels, motels, lodges and other types of temporary lodging as transient in nature and have not considered them to be dwellings. Courts have not yet specifically addressed whether extended hotel stays are covered by the FHA. However, since some occupants of extended-stay hotels meet the above criteria, it is reasonable to expect courts will treat extended-stay hotels differently than traditional temporary lodging. For example, an extended-stay hotel might have long-term occupants who intend to remain for a significant period of time and view the hotel as a place to return. Also, some occupants might not have any other place of residence. These occupants, for example,

might be covered by the FHA.

How to be FHA-compliant. Given that the FHA can apply to occupants of extended-stay hotels, your facilities should be compliant with the FHA and state law equivalents. Below are seven practices to ensure your facility is FHA-complaint and thus help you avoid liability:

- **Terms and conditions.** Do not set different terms or conditions for the rental of hotel rooms that are based on race, disability, familial status or any other protected status. Rather, make sure that all terms and conditions attached to hotel rooms are neutral. For example, policies relating to how many persons can occupy a room should be based on the number of beds in each room, rather than the familial status of occupants. Also, never allow policies that prohibit families with children from renting certain rooms (or from renting at all).

- **Placement of guests.** Do not provide different or separate facilities on the basis of a protected class, such as race or religion. Families with children should not be placed in a certain part of the hotel.

- **Disabilities.** Employees should never refuse to make reasonable accommodations for persons with disabilities. Hotels must grant accommodations to persons with disabilities unless the operator can demonstrate that the accommodations would impose an undue financial or administrative burden or would fundamentally alter the way in which services are provided.

- **Denial of room rental.** Never instruct employees that persons within protected classes—such as race, color, national origin, sex, age, religion, etc.—cannot rent rooms.

- **Develop clear procedures and policies.** Ensure your policies conform to fair housing laws and train managers and personnel to comply with them. Policies should include corrective action measures in the event of non-compliance. Be sure to monitor employee behavior and take action to remedy any non-compliance. Maintain records relating to training, distribution of policies and any disciplinary action for non-compliance.

- **Display FHA policy for guests.** Create and display a written fair housing policy statement to show guests that your hotel conducts business in accordance with applicable federal, state and local fair housing laws and provides hotel services on a non-discriminatory basis.

- **Keep current.** Review procedures regularly with legal counsel to keep up with changes in the law. Consider naming an internal “fair housing officer” to keep current on the law and answer questions that may arise.

Proactively addressing these matters by adopting and implementing good policies and procedures will go a long way to reduce potential liabilities for your extended-stay hotel.



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* The information in this article is general and should not be relied on as legal advice.