

W Austin Hotel opens in \$300 million downtown high-rise project

By [Shonda Novak](#)

AMERICAN-STATESMAN STAFF

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The W Austin Hotel debuted Thursday the first component to open in a \$300 million, 37-story high-rise at Second and Lavaca streets.

The project, developed by Stratus Properties Inc. and the Canyon Johnson Urban Fund, also includes 159 condominiums, office and retail space, and a live music venue with new studios for the "Austin City Limits" music show on KLRU-TV.

On Thursday, only the W's restaurant, called Trace, and its Living Room bar area were open. Guest rooms are available starting next week.

The 251-room W is the first new large downtown hotel since the 800-room Hilton Austin opened at the end of 2003.

Like the 291-room Four Seasons Hotel on San Jacinto Boulevard, the W is aimed at the luxury market, with rooms going for about \$250 to nearly \$600, including taxes.

The W is Starwood Hotels & Resorts' upscale-trendy brand, with contemporary decor, including modern art on the walls, curved couches in guest rooms and dramatic lighting in one of the four bars.

The W Austin Hotel and Residences broke ground in May 2008, and construction continued amid "the most significant economic downturn since the Great Depression," said Beau Armstrong, chairman and CEO of Stratus.

"We're extremely proud of what we've done," Armstrong said, noting that the project couldn't have happened without the commitment of his staff, city leaders, the W Hotel group, the local business community, lender Beal Bank Nevada and investor Gerald Ford, a billionaire Dallas banker.

Armstrong said he expects the hotel and condominiums to be well-received.

"The fundamentals are both very good for the hotel and condominium business right now in Austin. The economy has demonstrably improved over the last six months, and we are seeing a tremendous amount of interest now that people can actually see the project."

Armstrong said Stratus wanted a "quiet" opening. He said about 300 people were in the bar about 7:30 p.m. Thursday.

"Austin's kind of a mellow town, and we wanted to have a mellow opening," he said.

He said the project opened right on schedule, to the day.

"I've never had that happen before" on any project, Armstrong said.



Courtesy of JB Goodwin