

# A ‘Hospitality Wave’ of Hotels in Happy Valley



Tom Songer II of Torron Group, co-managing partner of the Bellefonte Waterfront Project (Photo by David Silber)

The Happy Valley hospitality industry has been on a bit of a roller coaster over the last few years.

Prior to the pandemic, according to Dave Gerdes, vice president of sales and marketing at the [Happy Valley Adventure Bureau](#), the area offered travelers approximately 3,000 total hotel rooms on any given night and would typically run around a sixty-percent annual occupancy rate. However, just as demand was on the rise and the Happy Valley Adventure Bureau introduced [its new rebranding efforts](#) (forgoing its old title as the Central Pennsylvania Convention & Visitors Bureau), the pandemic changed the industry’s trajectory.

The area lost iconic properties, such as The Nittany Lion Inn (at least as we’ve always known it) and the Days Inn by Wyndham Penn State. Hotel development projects were put on hold. By the end of 2020, Gerdes reports, hotel occupancy rates in the region had fallen to thirty-two percent, with revenue down by sixty-five percent.

Now, though, the industry is on an upward trajectory. Travel demand has surpassed 2019 levels and the sector is rising to meet that new demand, with hotel developments popping up all around Centre County. While hotel room inventory is not quite up to pre-COVID standards yet, with around 2,600 available guest rooms, it shouldn’t stay that way for long. With even just a few of the hotel projects under development, Gerdes expects the area will be close to, or exceeding, pre-pandemic hotel room inventory by the second half of 2025.

Some of these new hotel developments reclaim old-favorite properties and give them new life, while other projects are starting from the ground up. All, though, bring a certain excitement, sense of hope, and breath of fresh air to an industry that’s had a rough few years.

## New life for familiar properties

Gary Brandeis, president and founder of the Scholar Hotel Group, is no stranger to the State College hospitality scene. The Scholar Hotel Group owns both the [Hyatt Place and Scholar Hotel properties](#) in downtown. It's his team that's taken on the challenge of reopening The Nittany Lion Inn and maintaining The Penn Stater, [both of which The Scholar Hotel Group acquired from Penn State in 2022](#).

Currently, Brandeis says, his team is working on architectural and design plans for the still-closed Nittany Lion Inn, while The Penn Stater will remain operational until its sister property reopens by—hopefully, Brandeis emphasizes, if all goes well and as planned—late summer 2024. After The Nittany Lion Inn reopens, renovations are anticipated to begin at The Penn Stater.

So what can the community look forward to at the revamped property?

Brandeis says, “The Nittany Lion Inn is such an important asset to the campus, to the Penn State community, and to the greater State College community, that we will honor its history. It's going to remain a historic building. You won't see many changes on the outside. It's going to look like The Nittany Lion Inn always has, but it's going to look even better. Most of the work we're doing is on the inside, and that's where most of our time and money is going to be spent.”

When the newly modernized interior is revealed, it will include two new food and beverage outlets, in addition to the two dining options previously located at the inn.

Brandeis adds, “Ultimately, we think we're going to have the nicest university hotel in the country at The Nittany Lion Inn. It's going to be a five-star, full-service hotel—great for conferences and meetings, social events, and weddings—and it's going to honor the history of The Nittany Lion Inn.”

The Nittany Lion Inn isn't the only property undergoing a makeover and upping the ante with a new level of luxury. A similar process is occurring at [Toftrees Golf Resort](#). After the final Penn State football game of 2023, crews will demolish the property and rebuild, with a goal of reopening in 2025. The new Toftrees—slated to become a member of the [Marriot Autograph Collection](#), which highlights high-end, unique and independent properties—will feature new meeting space, a spa, dining and more hotel rooms than before.



*A sketch plan rendering of the proposed Toftrees Golf Resort redevelopment viewed from the ninth green of the golf course. Image by Depiction LLC from Patton Township.*

State College-headquartered **Shaner Hotels** operates the property, and Shaner Hotels President Plato Ghinos says the changes are warranted.

“We thought the best way to approach this project was to totally start from scratch and develop a very efficient, first-class resort facility with all-new technology and efficiencies, and great thought behind every department, every restaurant, the spa, banquet rooms, and the golf facilities,” he explains.

When the project is finished, he expects the new Toftrees to compete on a regional, if not national, scale, drawing travelers from major metropolitan areas for both leisure trips and business events, in line with properties such as Omni Bedford Springs Resort in Bedford, Hershey Lodge in Hershey and The Greenbrier in White Sulphur Springs, West Virginia.

Gerdes calls the Toftrees project “significant” and says, “The challenge is, we’re going to lose that room inventory while they’re constructing this new resort. The good news is, when they come out at the other end, when they open it, that inventory will not only become more available, but they are adding additional rooms. . . . When Toftrees comes back, this area, for the first time, is going to have a luxury product out in Toftrees. It’s going to be a true resort and that’s significant, because I don’t know if we’ve ever had that.”

### **Big projects coming down the pipeline**

While The Nittany Lion Inn and Toftrees Golf Resort redevelopments might be the largest and flashiest hotel projects in the works in the region, they’re certainly not the only ones. Multiple other projects are planned around the area as well.

The **long-awaited Bellefonte Waterfront Project** is expected to add to downtown Bellefonte a boutique hotel, parking garage, condominiums and retail space, all along Spring Creek. The hotel will contribute just under a hundred guest rooms to the area.

At **Hospitality Asset Management Company Inc.** (HAMCO), Chief Operating Officer Edward Tubbs explains the project is still expected to move forward, although the hotel will not open for multiple years—with fall 2025 being his earliest estimate.

“We’re working on some redesigns at the moment to make the project a bit more economically viable to construct, and we’re working with the franchisor and their design team to abide by their guidance on certain changes. It’s a bit of a process that takes some time,” he says.



*A design rendering depicts the hotel portion of the planned Bellefonte Waterfront project. Image courtesy bellefontewaterfrontproject.com*

HAMCO also oversaw the award-winning Days Inn by Wyndham Penn State **before its closure**. Earlier this season, HAMCO brought the Days Inn brand back to State College by **rebranding the State College Quality Inn as the Days Inn by Wyndham State College**.

Additionally, HAMCO recently announced plans to develop a **Tru by Hilton property in the Bellefonte area**, along the I-99 corridor and Benner Pike interchange. The property will offer 98 guest rooms.

Other hotel projects around the area are a little more vague in terms of when—or even if—they’ll come to fruition.

Beyond HAMCO’s Benner Pike Tru by Hilton property, **another Benner Pike hotel** is planned, offering both traditional and extended-stay rooms in a dual-branded property. According to engineering firm PennTerra, that project has been conditionally approved by the township, but the firm could not provide a project start date.

The **State College Town Centre project**, planned to take over a spot on South Allen Street in downtown that was previously home to Penn State’s Happy Valley Launchbox, will include a **Canopy by Hilton** property. According to Ed LeClear, planning director with the State College Borough, the hotel would offer 160 guest rooms, a restaurant on the bottom floor, a rooftop restaurant, a rooftop deck, and more than 170 parking spaces. The project is currently in land development permitting.



*The State College Town Centre project, planned for South Allen Street*

An **extended-stay hotel was planned for the former Autoport property** on South Atherton Street. However, LeClear clarifies, that project has not moved forward for multiple years.

### **“Heads and tails above where we were”**

Across the board, tourism and hospitality leaders are excited about what the above growth means for the area.

Gerdes points out how not only will new and expanded properties help regrow the area’s hotel inventory following pandemic-related losses, enabling the area to meet travel market demand, but they’ll also bring new meeting and events space—helping the area increase its weekday occupancy by attracting business travelers.

As Brandeis sums up, “We’re really positive about the hotel market and opportunities in State College. ... I think by 2025-26, the hospitality offerings in State College are going to be heads and tails above where things were when we opened [the Hyatt Place] back in 2017, when we kicked off this hospitality wave. We’re excited about it and think it’s great for the community to have better, more modern, and higher-end hotel opportunities for everyone that wants to visit State College.” *T&G*

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