

Financial Difficulties Force Hilton to Close NYC Hotel

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Saying the impact of the coronavirus pandemic left it no choice, Hilton Hotel Corp. is shuttering its hotel at the 'crossroads of the world.'

Hilton will close its hotel in New York City's Times Square on Oct. 1, according to a document it filed with New York State this week. The document was likely the mandatory 30-day notice employers must file in the event of employee layoffs.

Hilton expects 200 jobs will be lost, according to USA Today, which first reported the story. The company said it was due to "unforeseeable business circumstances prompted by COVID-19."

The 44-story, 478-room hotel at 234 West 42nd Street is in the heart of New York City with its Times Square location, just steps to Broadway and a perfect spot to go in any direction - north to Central Park, south to the Village and SoHo and the financial district, west to Hell's Kitchen, east to the United Nations.

But the pandemic has battered all aspects of the travel industry. USA Today noted that a report this week from the American Hotel and Lodging Association, an industry group, showed that hotel occupancy in urban markets was 38 percent in August, well below the 50 percent it takes for most properties to break even.

August hotel occupancy in New York was 38 percent, according to STR, a firm that tracks hotel data. It was 93 percent a year ago heading into the end-of-summer Labor Day weekend.

But it seemed to be fait accompli in New York City, where restaurants remain closed for indoor dining; a 14-day quarantine is in place for visitors arriving from 30 different states; Broadway is shuttered until 2021; no spectators are allowed at games for baseball's Yankees and Mets, and restrictions on travel from most European countries remain in place.

