

Apple checks in with 192-room hotel for billion-dollar Northwest Austin campus

By John Egan - May 20, 2020



Apple is adding a hotel to its billion-dollar campus. Rendering courtesy of Apple

Tech giant Apple Inc. has added a new amenity to its \$1 billion corporate campus under construction in Northwest Austin — a 192-room hotel.

A revised site plan approved April 29 by the City of Austin shows a 75,500-square-foot, six-story hotel, as well as previously envisioned office buildings and parking garages. The revised plan

doesn't cite a hotel brand. The original site plan for the project, filed in December 2018, didn't include a hotel.

"Apple is a trendsetter in so many ways. Its proposed hotel as part of its new Austin campus is another example of it being ahead of the curve," John Boyd Jr., principal of Princeton, New Jersey-based corporate location consulting firm The Boyd Co. Inc., tells CultureMap.

Boyd adds that "having a hotel connected at the hip with its corporate parent is not common now, but in the post-COVID-19 corporate travel world, I expect we will be seeing more of this concept, especially from deep-pocketed tech firms like Apple, Google, Facebook, and Microsoft."

In all, Apple's second Austin campus will contain structures totaling 3 million square feet, with about 2 million square feet devoted to office space. By comparison, the Pentagon in Arlington, Virginia — headquarters of the U.S. Department of Defense — encompasses 6.6 million square feet of floor space, making it one of the world's largest office buildings.

Apple broke ground in November on the \$1 billion campus. The project, set to open in 2022, initially will house 5,000 employees and eventually will be able to accommodate 15,000 employees. The campus is being built on a 133-acre site at West Parmer Lane and McNeil Road. The updated site plan shows the hotel as being the structure closest to West Parmer Lane.

Apple currently occupies a nearby office campus, at West Parmer Lane and Riata Vista Circle, where most of its 7,000 Austin employees work. The 1.1 million-square-foot campus, which was completed in 2016, features seven office buildings on 38 acres. The site represents Apple's largest hub outside its \$5 billion headquarters in Cupertino, California; Apple is poised to become Austin's largest private employer in the not-too-distant future.

While it might be uncommon for a hotel to be built on a corporate campus, the concept isn't unheard of. In Fort Worth, for instance, American Airlines is adding a 600-room hotel at its headquarters, along with a conference and training center. The \$250 project is supposed to open in 2021.

Closer to Austin, Paul Vaughn, senior vice president of San Antonio-based hotel consulting firm Source Strategies Inc., notes that a Candlewood Suites hotel operates at Joint Base San Antonio, an Air Force and Army complex, and an Embassy Suites hotel is located at San Antonio's Brooks City Base, a former Air Force base that was converted into a mixed-use development. Many of the guests at the two hotels are doing business with the U.S. military.

Similarly, a Hampton Inn sits on Dell Way, the road leading to the Round Rock headquarters of Dell Technologies Inc.

Vaughn envisions an extended-stay property being built at the new Apple campus. He cites an Embassy Suites hotel as a possibility.

Boyd believes building a hotel on its new Austin campus will give Apple “greater control of its corporate travel operations, and give COVID-leery business travelers a greater sense of security and safety.”

Representatives of Apple couldn't be reached for comment.

It makes sense that Apple would want its offices to be near hotels, as those sites regularly draw employees and customers from around the world. Apple occupies a 215,000-square-foot office building in West Austin that's adjacent to the high-end Hotel Granduca Austin, while a 340-room hotel is set for a planned mixed-use development on a site within two miles of Apple's current and future campuses in Northwest Austin.