Navajo Council tables $6.6 million hotel purchase

Reappraisal of property was requested; Council to reconsider bill at summer session

WINDOW ROCK, Ariz. — Before making any rash decisions on whether to buy a West Gallup, N.M., hotel at a $6.6 million price tag, the 21st Navajo Nation Council decided to hold consideration of the measure until its summer session.

The Council voted 53-30 to table the legislation that would have acquired the former Holiday Inn hotel situated at 2915 West Highway 66 in Gallup.


The measure would have directed the Navajo Nation to purchase the hotel, which was re-branded “The Inn of Gallup,” using the Land Acquisition Trust Fund for use by the Navajo Nation Hospitality Enterprise. It also would have allowed an additional $2.6 million for hotel improvements necessary for franchise branding of the facility.

“This would bring a new concept of how revenues can be generated,” said Arthur, a delegate serving the Burnham, San Juan and Nenahnezad chapters. “With how people are traveling today and with the price of fuel, we have other things that are on the table that we can offer through this acquisition — combined with a convention facility, restaurant and a hotel.”

Hans Pircher, current owner of the hotel, testified before the Council saying he was losing out on the deal and the Navajo Nation was getting a bargain on the purchase because he was selling low so he can relocate to Phoenix to be near his family.

“I feel that if the Navajo Nation were to build this place that sits on 7 acres of land, the cost would be $15-20 million to build it,” Pircher said. “Because I have family reasons, the negotiated price was $6.6 million — it’s a great deal for the Navajo Nation.”

Council Delegate Norman John from Twin Lakes Chapter was skeptical about what the return on the investment would be on the hotel.

“I see no future in this; no locale. There are better hotels in the area.” John said. “The relevance of buying this hotel is a little mis-timed and I don’t believe that it will make us any money.”

Raymond Maxx, a council delegate representing the chapters of Coalmine Canyon and Toh Nanees Dizi (Tuba City), said the hotel was appraised more than a year ago when fuel prices were less than $3 per gallon. He offered an amendment to lower the purchase price down to $5.6 million.

Council Delegate Omer Begay Jr. (Cornfields/Greasewood Springs/Klagetoh/Wide Ruins) offered to table the amendment and have the Navajo Nation reappraise the value of the hotel. The measure was tabled and will be reconsidered during the summer session after a new appraisal is conducted on the property.

The Council has decided to take caution before purchasing this facility.

###

July 1, 2008
FOR IMMEDIATE RELEASE

Navajo Council tables $6.6 million hotel purchase

Reappraisal of property was requested; Council to reconsider bill at summer session

WINDOW ROCK, Ariz. — Before making any rash decisions on whether to buy a West Gallup, N.M., hotel at a $6.6 million price tag, the 21st Navajo Nation Council decided to hold consideration of the measure until its summer session.

The Council voted 53-30 to table the legislation that would have acquired the former Holiday Inn hotel situated at 2915 West Highway 66 in Gallup.


The measure would have directed the Navajo Nation to purchase the hotel, which was re-branded “The Inn of Gallup,” using the Land Acquisition Trust Fund for use by the Navajo Nation Hospitality Enterprise. It also would have allowed an additional $2.6 million for hotel improvements necessary for franchise branding of the facility.

“This would bring a new concept of how revenues can be generated,” said Arthur, a delegate serving the Burnham, San Juan and Nenahnezad chapters. “With how people are traveling today and with the price of fuel, we have other things that are on the table that we can offer through this acquisition — combined with a convention facility, restaurant and a hotel.”

Hans Pircher, current owner of the hotel, testified before the Council saying he was losing out on the deal and the Navajo Nation was getting a bargain on the purchase because he was selling low so he can relocate to Phoenix to be near his family.

“I feel that if the Navajo Nation were to build this place that sits on 7 acres of land, the cost would be $15-20 million to build it,” Pircher said. “Because I have family reasons, the negotiated price was $6.6 million — it’s a great deal for the Navajo Nation.”

Council Delegate Norman John from Twin Lakes Chapter was skeptical about what the return on the investment would be on the hotel.

“I see no future in this; no locale. There are better hotels in the area.” John said. “The relevance of buying this hotel is a little mis-timed and I don’t believe that it will make us any money.”

Raymond Maxx, a council delegate representing the chapters of Coalmine Canyon and Toh Nanees Dizi (Tuba City), said the hotel was appraised more than a year ago when fuel prices were less than $3 per gallon. He offered an amendment to lower the purchase price down to $5.6 million.

Council Delegate Omer Begay Jr. (Cornfields/Greasewood Springs/Klagetoh/Wide Ruins) offered to table the amendment and have the Navajo Nation reappraise the value of the hotel. The measure was tabled and will be reconsidered during the summer session after a new appraisal is conducted on the property.

The Council has decided to take caution before purchasing this facility.

- ### -