

Merchant says George could turn red to black

Gibsons Landing



Stafford Lumley, owner of Smitty's Oyster House, made a presentation to Gibsons council on May 6 about the potential economic spinoffs the George Hotel could have on his business and other businesses in The Landing. Photograph By John Gleeson

A Gibsons Landing business owner says the George Hotel and Residences project could transform his chronic off-season losses into a modest profit.

Stafford Lumley, owner of Smitty's Oyster House, told council Tuesday (May 6) that his business lost an average of \$8,800 a month between January and May, but that could change to \$2,450 a month in profit based on what he called a "very conservative" estimate of the spinoffs from the George.

"We would have an actual positive bottom line," Lumley said, adding that his situation was not unique. "Believe me, I think this is a microcosm of all businesses in Lower Gibsons."

Lumley calculated the net benefits from the project by assuming half-occupancy of the 100-room hotel at two people per room, with half of the guests dining out in the Landing, and half of those diners going to Smitty's once during a two-day stay.

With an average tab of \$37.50 per person, Lumley said the extra business would bring in \$11,250 per month.

"From September to December last year we didn't even meet our fixed costs in terms of revenues," he said. "It's tough, but a spark in business, something added like this, it translates into a modest improvement in business at a time when we do have the excess capacity."

Currently, the profitable season is “three months at best and very weather dependent.”

Lumley admitted he did not have a crystal ball and did not know if the George is going to work.

“But in the back of my mind I’m thinking what if it does work? What if it becomes a gem? What if it becomes an international destination? What if it’s a one-of-a-kind thing? What if everybody’s walking down the streets happy during the rainy months?

“It seems like a chance not to go into every winter and just slump your shoulders and put your head down and hope you can pay your bills until the May long weekend. We just hang on till the May long weekend,” he said.

“We’re definitely looking for something.”

Mayor Wayne Rowe thanked Lumley for sharing his perspective with council and noted that Smitty’s is a “significant draw” to the Landing area.

Lumley owned a restaurant in Yaletown before taking over the Smitty’s Marina building in 2005, investing more than \$500,000 including a \$400,000 bank loan. The restaurant opened its doors in October 2007 after a complete rebuild.

“To date we have served more than 30,000 pounds of fresh halibut, two million oysters and paid over \$1,200,00 in wages,” he said.

The business has been featured in The New York Times and many other publications and was featured on a Food Network episode of You Gotta Eat Here last year.