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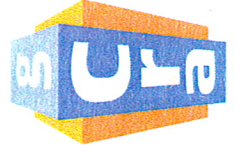
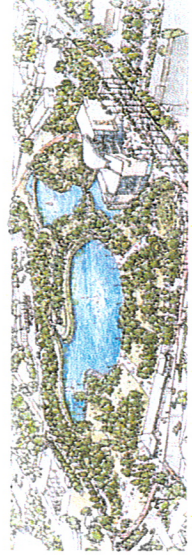
## **Downtown Conference Center and Hotel**

**Presented By  
Schervin Henry  
City Commissioner  
District I**



# The Need

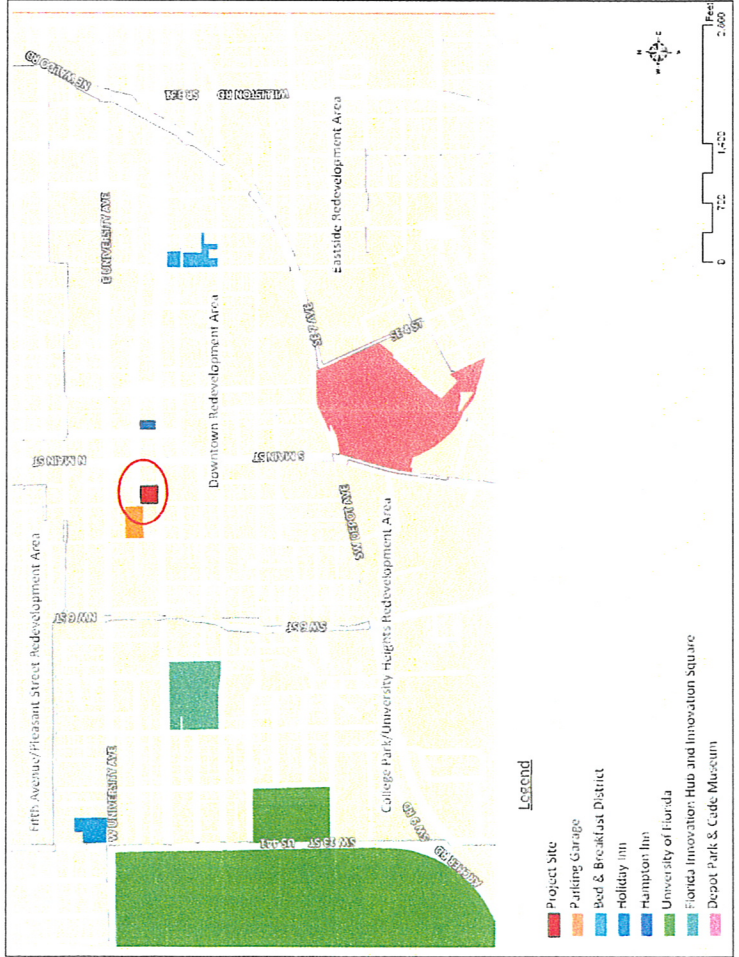
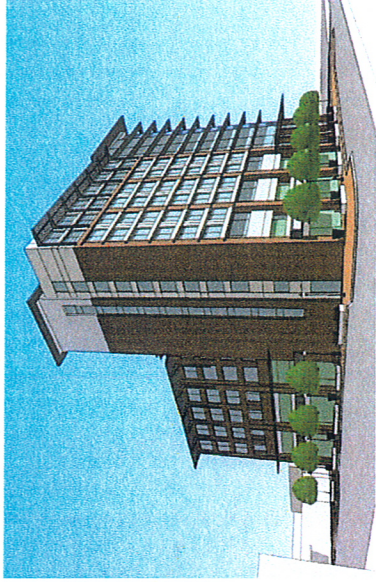
- Meetings and Conferences are second only to Sports as a main purpose for traveling to Gainesville/Alachua County ...
- ...but there is still unmet demand that is causing tourist dollar leakage
  - Because of size constraints at existing Gainesville meeting spaces, groups of more than 300 attendees must find a venue outside of Gainesville.
  - This potential tourist and economic activity is "leaked" to Orlando, Tampa, or Jacksonville
  - Two independent third party companies both concluded that Gainesville currently lacks function space for all range of events typically found in a market of this size
  - There is clearly a need for larger meeting space in Alachua County
- Successful meeting or conference center space must be supported by an adequate supply of hotel rooms, which is the reason that meeting space is commonly offered by full-service hotels or the hotels are commonly located adjacent to or very close to publicly owned conference and civic centers.
- Unfortunately, downtown Gainesville currently does not have a critical mass of hotel rooms...
  - ...and projects like Depot Park/Cade Museum, the Florida Innovation Hub, and Innovation Square, there will also be increasing demand for hotel rooms in Downtown Gainesville to accommodate additional out-of-county tourists and corporate/business travelers.



# Project Overview

- A new 250-room high-rise, full-service hotel containing a publicly-owned\* multi-level 38,000 sq. foot conference center on SW 2<sup>nd</sup> Ave in the heart of Downtown
- Approximately 30,000 square feet of flexible meeting space, including a divisible ballroom of approximately 10,000 square feet.
- Also potential to have street-level retail

Conceptual schematic illustrations



- Site is currently a city-owned parking lot (“Lot 10”), which benefits from close proximity to:
  - Other Hotels
  - Parking (adjacent to 855-space garage)
  - Restaurants
  - Entertainment
  - University of Florida
  - Santa Fe College (Downtown location)
  - Innovation Hub/Innovation Square
  - Depot Park/Cade Museum of Innovation
- *Project to be marketed as a 374-room contiguous block, as the 124 room Hampton Inn and Suites can be included in the room set*

## Highlights from Business Plan cont'd

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- The conference center portion of the project, the Downtown Conference Center (DCC), fills a need in the market (limited meeting facilities) and offers the opportunity to not only capture existing meeting demand that is currently leaving Gainesville, but also creates a world-class facility to attract new regional, statewide meetings
  - A survey of meeting planners in Florida indicates that a significant number of meetings currently held outside Gainesville because of space limitation would be held in Gainesville if suitable facilities were available
- The hotel portion of the project fills a need in the market for additional hotel rooms in Downtown Gainesville to support the anticipated increase in visitors resulting from innovative redevelopment projects such as the Cade Museum, Depot Park, the Florida Innovation Hub, and Innovation Square.
- A Market Study and Financial Analysis performed by PKF Consulting concludes that there is sufficient market demand to support the Project
- The Project will be developed through a public/private partnership with a private master developer approach.
  - Through negotiations with Hotel Developer, the public is not expected to incur or subsidize any operational losses from Conference Center activity. In other words, the publicly-owned conference center is expected to operate at breakeven



# Questions?



# Highlights from Business Plan

- The Downtown Conference Center and Hotel project (DCC) consists of two separate projects that need to occur simultaneously:
  1. a 38,000 square foot publicly-owned conference center and
  2. a 250-room full-service hotel branded as a Marriott, Hyatt, Starwood, or other national/international brand
- Project will generate an estimated 62,000 room nights and contribute over \$26 million to the local economy

Stabilized Mix of Demand	
Segment	Room Nights
Corporate	24,400
Leisure	10,000
Group	27,600
<b>Total</b>	<b>62,000</b>
Source: PKF Consulting	

Economic Measure	Estimated Impact	Measures...
Output Impact	\$26,394,314	Revenues received by businesses in Alachua County resulting from the operation of the project
Earnings Impact	\$7,007,669	Salaries and wages paid to employees at the project, and employees at project vendors within Alachua County
Employment Impact	234 FTE jobs	Full-time equivalent jobs at the project and project vendors within Alachua County.
Tax Impact (Sales and Lodging)	\$1,476,528	Alachua County lodging taxes and State of Florida sales taxes generated from the rooms revenues and total hotel revenue of the project
Source: PKF Hospitality Research		

