



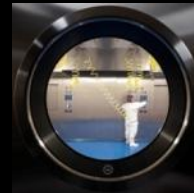
TOWN HALL MEETING CITY OF SOUTH PADRE ISLAND , TEXAS

JANUARY 28, 1012

Convention Center Renovations and Expansion



**BROADDUS
& ASSOCIATES**



INTRODUCTIONS

SPI Convention Center Planning Committee

- Mr. Robert Pinkerton, Jr . SPI Mayor
- Joni Clarke - SPI City Manager
- Lacey Ekberg - Convention and Visitors Director
- Paul Cunningham - City Attorney
- Kathy Cunningham - City Attorney Office
- Sam Listi, AIA, Council Member
- Robert A Fudge, PE, Council Member
- Cesar Cantor, Pearl South Padre
- Bill Donahue, Isla Grand Resort
- Gilbert Gallegos, AIA, Broaddus & Associates
- Diana Bravo Gonzalez, AIA, LEEDGA, Broaddus & Associates

Consultants

- Architect - Raymond Gignac, AIA, Gignac Architects
- Convention Consultant - Rob Svedberg, Programming and Convention Center Technology ,TVS Design
- Contractor – Michael Raley Spaw Glass Construction ,Inc
- Financial Consultant - Dave Gordon - Estrada-Hinojosa Investment Bankers

FINANCIAL

Dave Gordon

Estrada -Hinojosa

Investment Bankers

GOALS

- **Update the current convention center**
- **Create the Highest Economic Impact**
- **No Tax Impact**



PROCESS



Data Evaluation - Reports

- Existing Facility Assessment
- Emergency Repairs Assessment



Site Evaluation

- Greenfield (\$10 M)
- Existing (Long Term Lease) (\$0)



Finance Options (HOT Capacity)

- P3 - Public Private Partnerships
- Lease-Purchase
- Revenue Issuance



Procurement



STUDIES COMPLETED

- **Feasibility and Master Plan Study for the South Padre Island Convention Center** - C.H. Johnson/ TVS Report (2005)
- **Existing Facilities Needs Assessment**, ROFA Architects (2012)
- **SPI Convention Center Wetland Determination** - HDR Engineering Inc. (January 2013)
- **Roofing Report- SPI Skylights** - Amtech, Building Sciences, Inc. (January 2013)

SPI CONVENTION CENTER SNAPSHOT

Existing Facility

- Outdated - Size (Min. 30,000 SF exhibit hall per Johnson Report)
- No Ballroom
- No Breakout Rooms
- Operational Efficiencies Poor
- Water Infiltration
- Systems Outdated
- Code Deficiencies
- Technology Outdated

Economic Impact

- 63,000 attendees/year = \$30M
- 97,000 attendees/year projected after 6 years = \$45 M

TRENDS

What I Want – When I Want



Image sources L-R: blog.core-ed.net / neonpunch.com / geek.com

TRENDS

Per “Convention 2020 - The Future of Exhibit Meetings and Events”

Trends

- Hybrid Events - which blend physical and virtual sessions, exhibits and other experiences
- Range and choice of technology to transform the delegate experience
- Looking for an entertainment component to the meeting locations, music, restaurants, recreation, family friendly events
- Shorter and to the point meetings
- Fresh Healthy Food
- Value

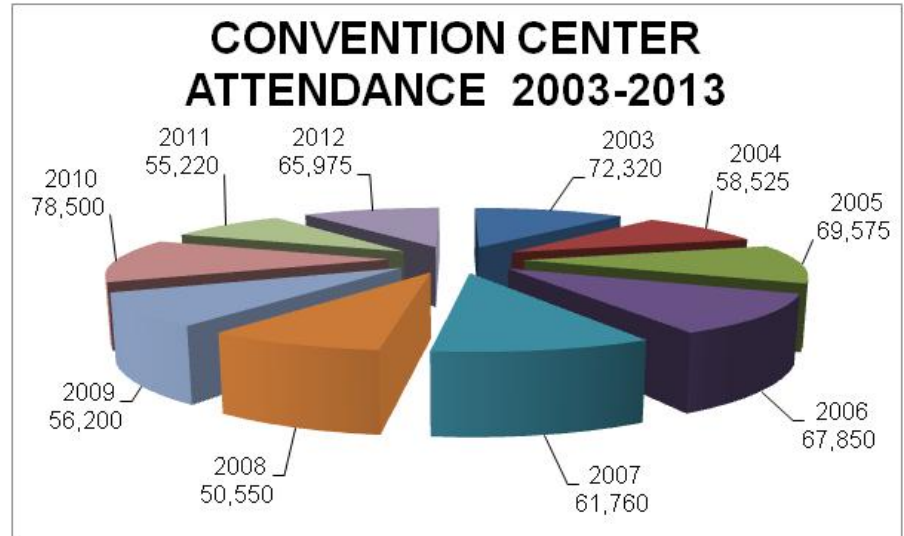
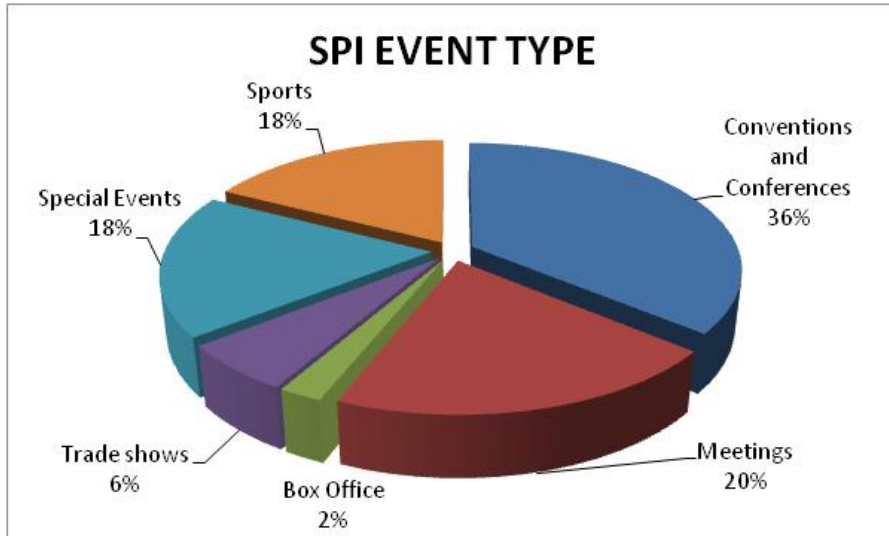
CONVENTION FACILITY FACTS

- **80% of all events are held in exhibit halls of 50,000 sf net (100,000 gross sf) or less of exhibit space**
- **Convention Centers Size** (Per Price Waterhouse Coopers)
 - Small Convention Center 100,000 sf or less exhibit space **(SPI 22,500 Sq Ft)**
 - Medium 100,000 - 500,000 sf
 - Large 500,000 sf and above
- **Exhibit hall less than 100,000 sq ft** (Per Price Waterhouse Coopers)
 - Avg. Attendance - 135,000 (SPI Avg Attendance 63,000)
 - Avg. Number of events 56 (SPI Avg # Events 81)

MEETING TYPES AND FACILITY REQUIREMENTS

	Attendance Range	Primary Purpose	Major Facility Requirements	Typical Facility Used	SPI Current Capacity to Host
<i>Meeting Type</i>					
<i>Corporate and other meetings</i>	Less than 100	Training and info exchange	Meeting Space	Hotels/ Conference Centers	Average
<i>Conferences</i>	50-2000	Information Exchange	Meeting Space and Banquet Space	Hotels/ Conference Centers and Convention Centers	Below Average due to lack of Banquet Hall
<i>Conventions</i>	300-15,000	Information Exchange	Meeting Space and Banquet Space	Hotels/ Conference Centers and Convention Centers	Below Average due to lack of Banquet Hall
<i>Conventions with Exhibits</i>	2,000-20,000	Information Exchange and Sales	Exhibition, Breakout Meeting Space and Banquet Space	Convention Centers	Below Average due to lack of Banquet Hall
<i>Trade Shows</i>	1,000-50,000	Sales	Exhibition, Breakout Meeting Space for some events	Convention Centers, Trademarks Fairgrounds	Average
<i>Consumer shows</i>	10,000-1 million	Advertising and Sales	Exhibition Space	Convention Centers, Trade marts Fairgrounds	Average
<i>Assemblies</i>	5,000-50,000	Information Exchange	Stage, Seating, Breakout Meeting rooms	Convention Centers, Arenas, Stadiums, Fairgrounds	Poor
<i>Community, entertainment and social</i>	500-10,000	Social and Entertainment	Banquet and Multipurpose Space	Convention Centers and Multipurpose facilities	Average
<i>Source: Johnson Consulting</i>					

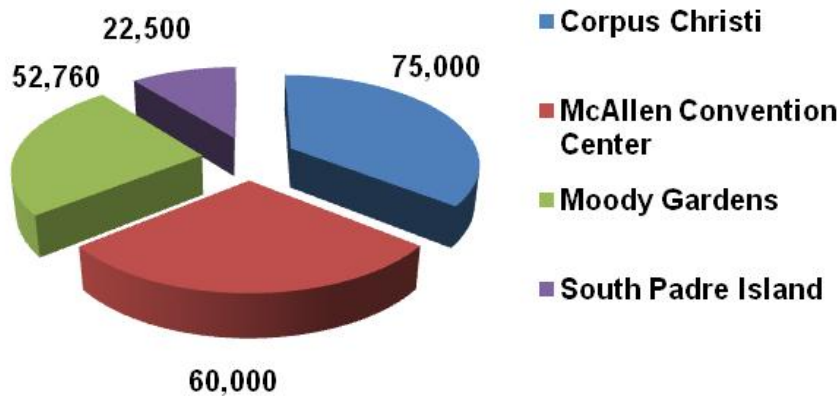
CONVENTIONS AND ATTENDANCE 2003-2013



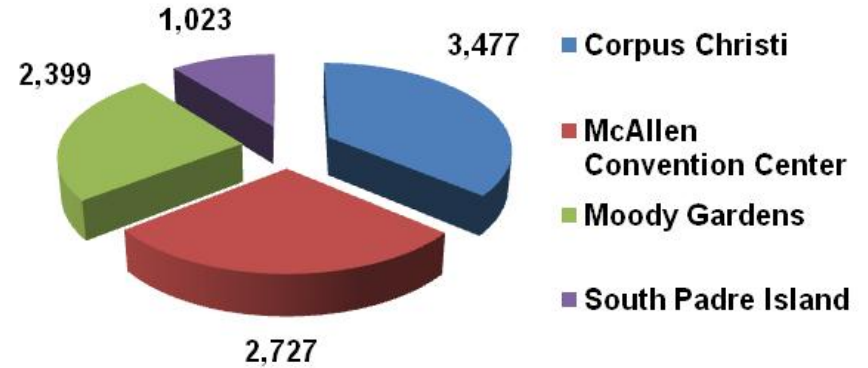
- ***Average Attendance- 63,000 attendees /year***
- ***Average Total Events- 81***

COMPETITIVE MARKETS

Total Exhibit



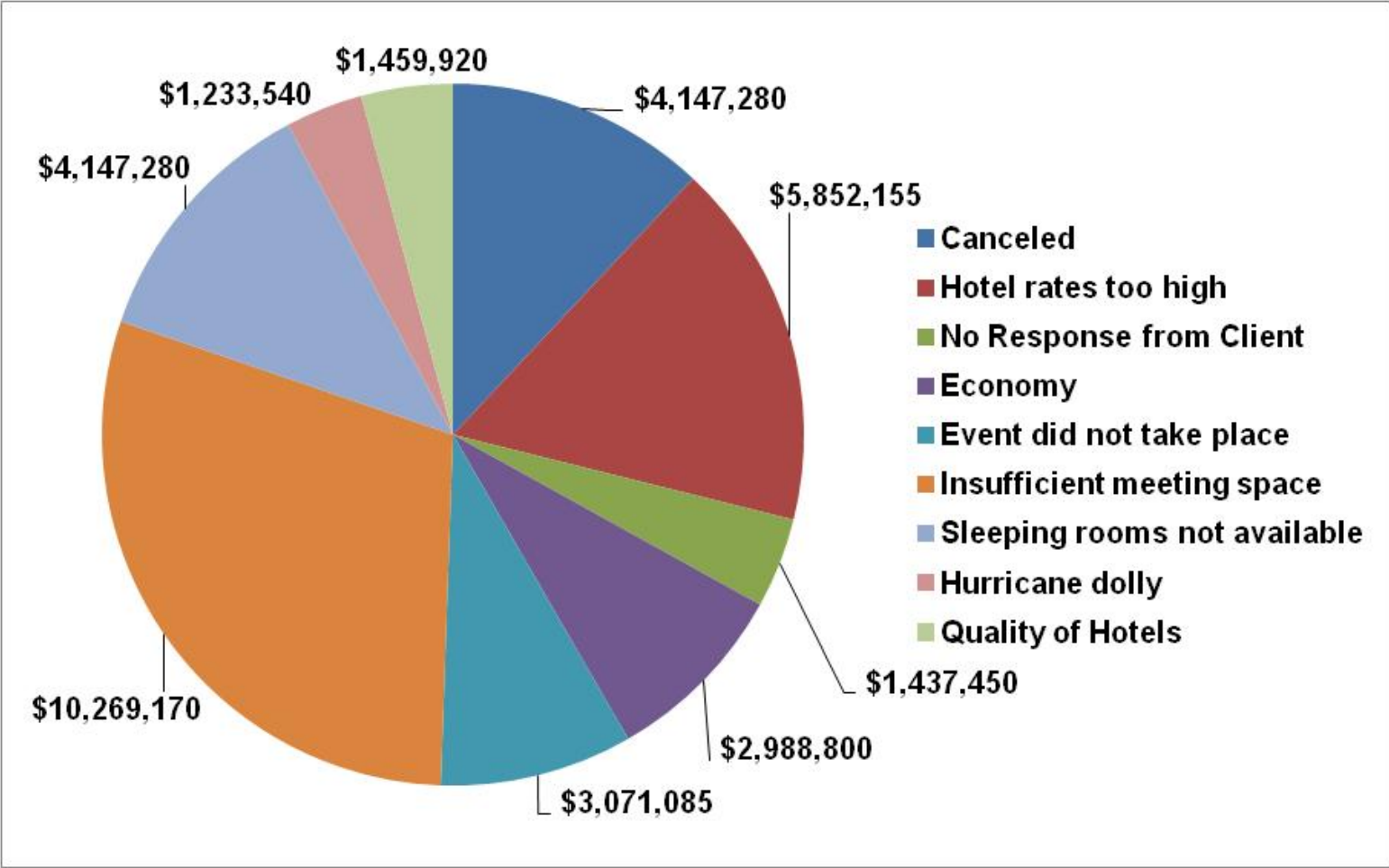
Peak Event Capacity



Benchmark- Corpus Christi

- **2012 Attendees- 146,000** (SPI 63,000)
- **2012 Number of Events- 117** (SPI 81)

TOP 10 REASONS LOST BUSINESS



POTENTIAL TARGET MARKETS

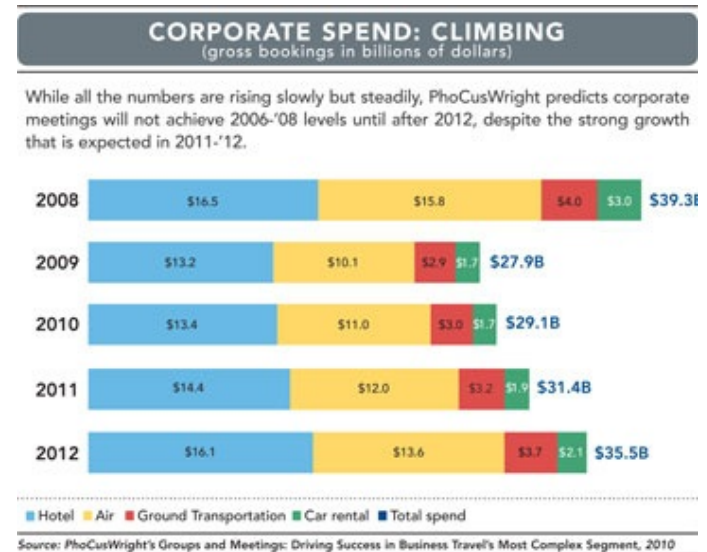
Associations (Including professional associations)

- 410 Associations in Texas - 262 have 3000 members and under
- 117 conference and meetings have been booked this last fall (per TexMet events tracking)

Corporate meetings both US and Mexico

- Corporate spending is on the rise
- Maquiladora industry and trade shows

Academic Conferences



PRIORITY FOR RENOVATIONS AND EXPANSION

- Priority 1- Emergency Repairs
- Priority 2- Existing Facilities Renovations
- Priority 3- Site work and Parking
- Priority 4- Expansion

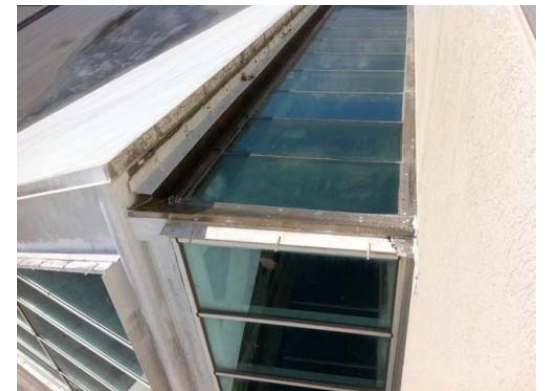
PRIORITY 1- EMERGENCY REPAIRS

Skylight, Chiller Replacement, Wall Leaks



Opinion of Probable Cost

	New Construction	Cost/SF	CCL
<i>New Chiller</i>			\$100,000
<i>Skylight allowance</i>			\$100,000
<i>Wall and roofing repair allowance</i>			\$50,000
Total			\$250,000



PRIORITY 2 - EXISTING FACILITY RENOVATIONS

Mechanical, Electrical and Plumbing Systems

- Life Cycle of Systems at end
- Severe corrosion on mechanical units
- Mechanical louvers do not meet code
- T12 lighting out dated and inefficient



PRIORITY 2 - EXISTING FACILITY RENOVATIONS

Building Envelope does not meet IBC 2009 or Windstorm Requirements

- Vapor Barrier in walls non existent
- Glazing does not meet Code
- Canopy supports have severe corrosion



PRIORITY 2 - EXISTING FACILITY RENOVATIONS

Opinion of Probable Cost

	Renovations	Cost/SF	CCL
<i>Exhibit Hall</i>	22,500	\$130	\$2,925,000
<i>Meeting Rooms</i>	12,000	\$130	\$1,560,000
<i>Administration Space</i>	2,500	\$130	\$325,000
<i>Kitchen</i>	3,000	\$130	\$390,000
<i>Lobby Circulation/ Pre Function Space</i>	16,000	\$130	\$2,080,000
<i>Storage</i>	5,000	\$130	\$650,000
<i>Restroom and Support services</i>	15,000	\$130	\$1,950,000
<i>Exterior walls , windows etc included above</i>			
	76,000		\$9,880,000

PRIORITY 3 - SITE AND PARKING

Site

- Restripe and reseal parking lot
- Site lighting to be replaced where corroded
- New parking to meet code

Opinion of Probable Cost

	CCL
<i>Sitework repairs allowance</i>	\$500,000
<i>New Parking allowance</i>	\$5,000,000
Total	\$5,500,000



PRIORITY 4 - EXPANSION

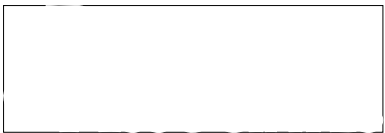
SPACE SUMMARY	Existing Building	Broaddus	Johnson Report
FUNCTION SPACES			
EXHIBIT SPACE/BANQUET			42,000
EXHIBIT SPACE	22,500	40,000	
BANQUET HALL		10,000	
MEETING/BREAKOUT	12,000	14,500	16,600
TOTAL -Lobby Circulation/ Pre Function Space/Kitchen/ Storage /Restrooms/ Administration	41,500	50,500	110,350
	76,000	115,000	168,950

Other Johnson Report Recommendations

- HVAC, Interiors and amenities improvements
- Amphitheater
- Additional parking
- Hotel

PRIORITY 4 - EXPANSION

- Larger exhibit space and common areas
- Banquet space
- Catering kitchen
- Additional Breakout rooms
- Additional Restrooms
- Additional Parking



PRIORITY 4 - OPINION OF PROBABLE COST

	New Construction	Cost/SF	CCL
<i>Exhibit Hall</i>			
<i>New Exhibit Hall (addition)</i>	18,000	\$250	\$4,500,000
<i>Meeting Rooms</i>			
<i>Administration space</i>	3,000	\$250	\$750,000
<i>Breakout rooms (part of renovations)</i>			
<i>Kitchen (part of renovations)</i>			
<i>Lobby Circulation/ Pre Function Space</i>	6,000	\$250	\$1,500,000
<i>Restroom and Support services</i>	2,000	\$250	\$500,000
<i>Ballroom (addition)</i>	10,000	\$250	\$2,500,000
<i>Subtotal</i>	39,000		\$9,750,000
<i>Sitework Allowance</i>			\$500,000
Total			\$10,250,000

TOTAL OPINION OF PROBABLE COSTS

Emergency Repairs \$ 250,000

Hard Costs

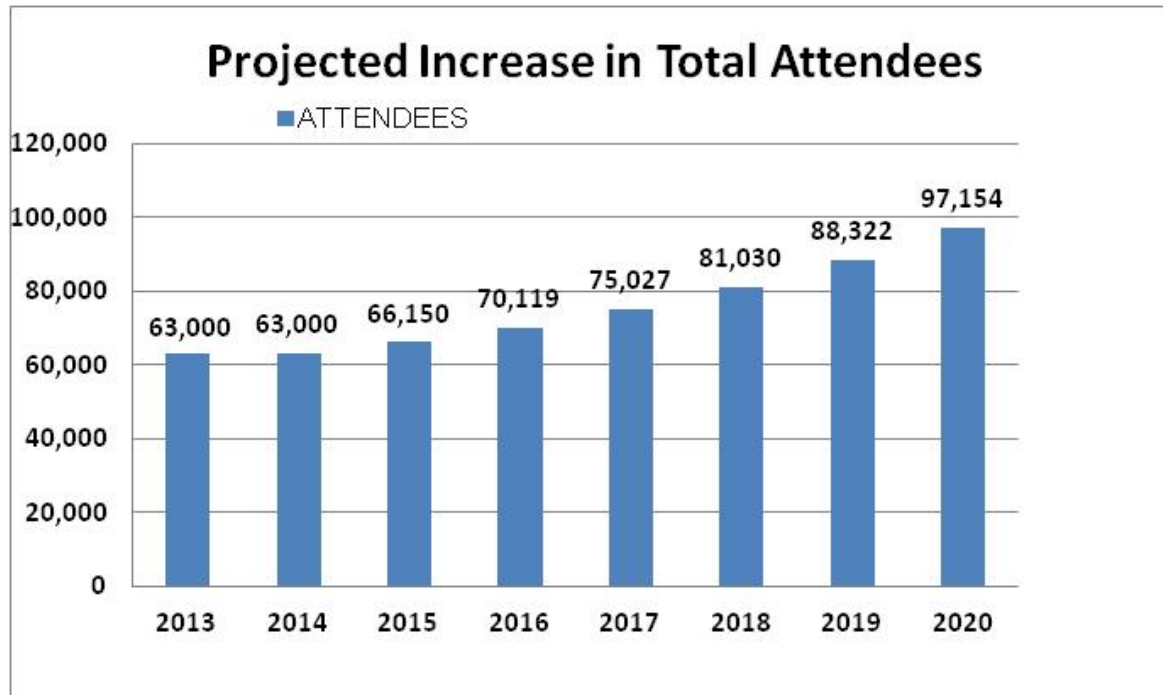
- **New Construction** \$ 9,750,000
- **Renovations to Existing Building** \$ 9,880,000
- **Site work Allowance** \$ 1,000,000
- **Parking** \$ 5,000,000
- Construction Cost Limitation(CCL)** \$25,630,000

Soft Costs

- **Fees, FF&E & Contingencies** \$ 4,370,000

TOTAL PROJECT COSTS \$30,000,000

ECONOMIC IMPACT



- **2012 Attendees- 63,000 IMPACT-\$30M**
- **2020 Projected Attendees 97,154 IMPACT- \$45M**

PATH FORWARD

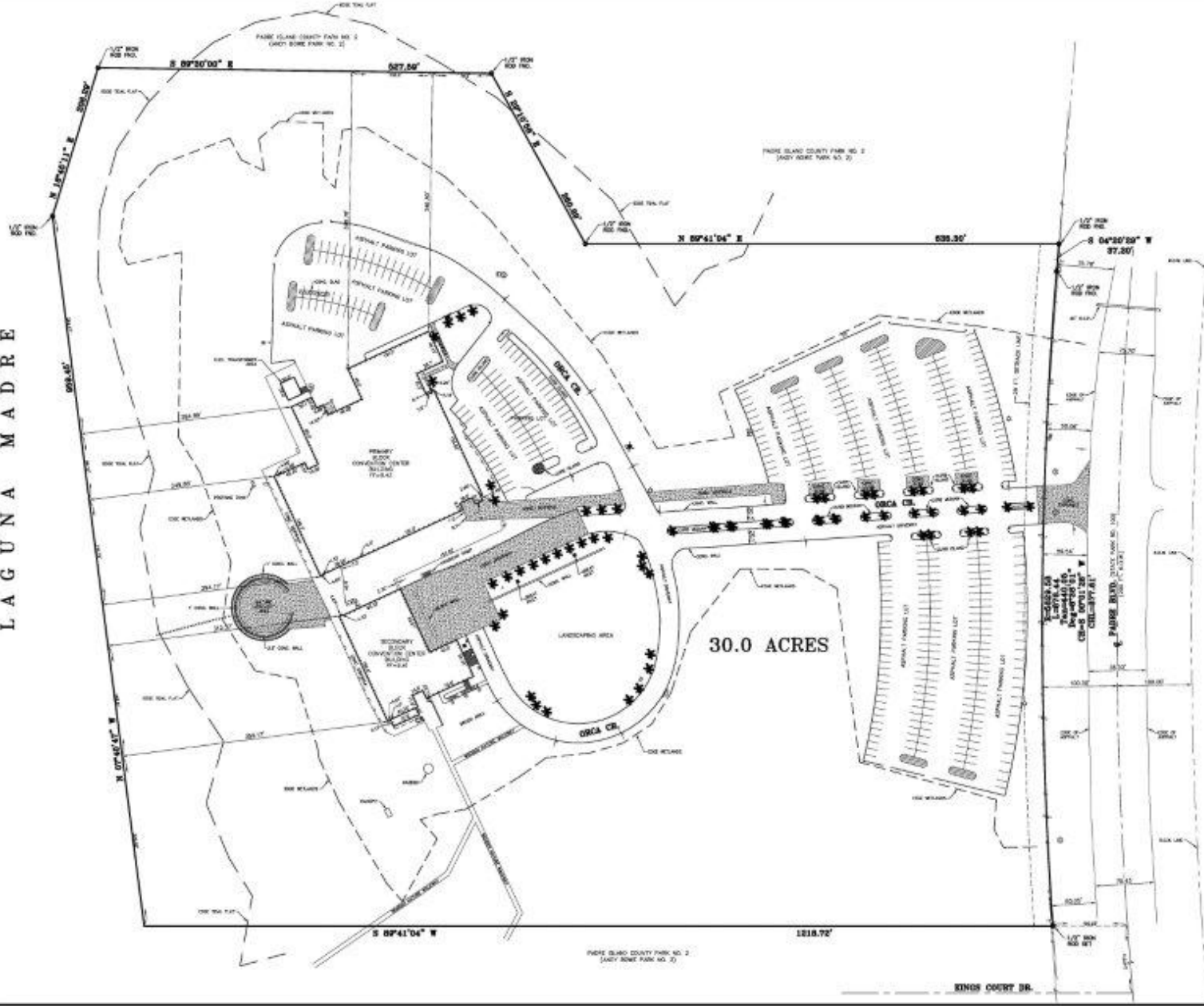
- **Approve A/E & Contractor Contracts**
- **Focus on Emergency Repairs**
- **Begin Master plan of Existing Site**
- **Confirm Program**
- **Begin Conceptual Design Drawings**
- **Cost Confirmation**

DISCUSSION

VISIT THE PROJECT WEBSITE AT MYSPI.ORG
EMAIL YOUR QUESTIONS AND COMMENTS TO
CCInfo@MySPI.org



LAGUNA MADRE



30.0 ACRES

PINE ISLAND COUNTY PARK NO. 2
(JACKSON PARK NO. 2)

KINGS COURT DR.