



MIAMI BEACH
CONVENTION CENTER
HEADQUARTER HOTEL

RFP No. 2015-103-ME
Pre-Proposal Meeting

February 27, 2015



WELCOME

Jimmy Morales

City Manager

City of Miami Beach



Maria Estevez

Procurement

City of Miami Beach

PROCUREMENT INTRODUCTION

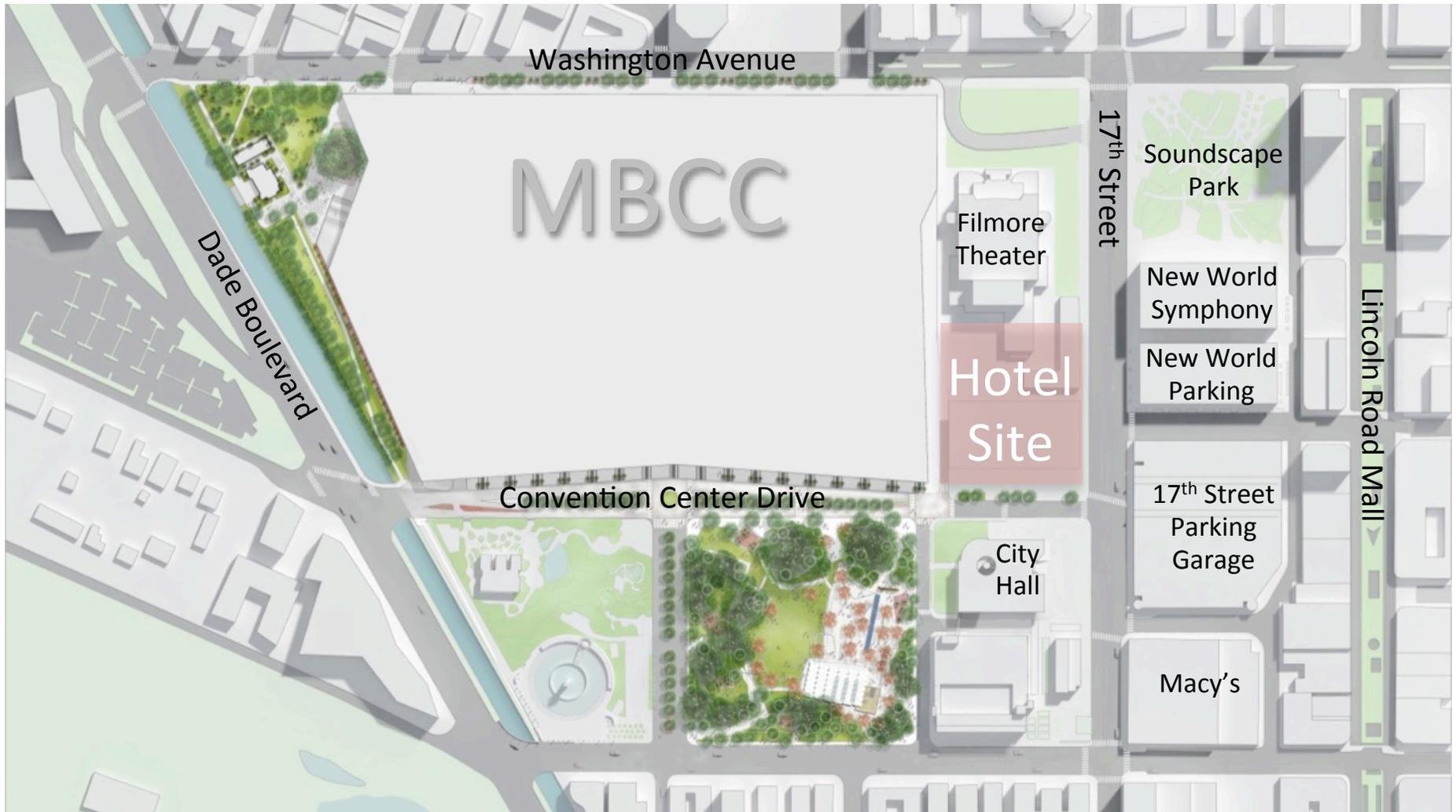
- Cone of Silence – City of Miami Beach Ordinance Section 2-489



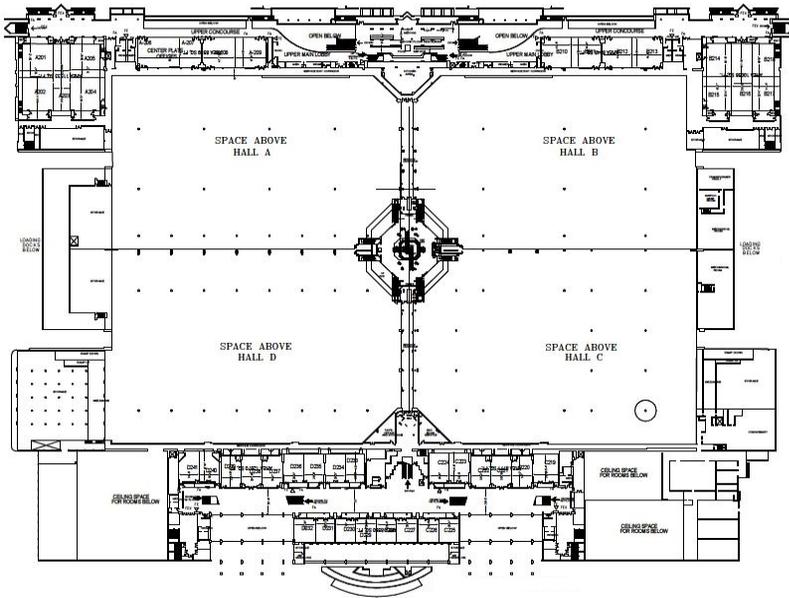
Jeff Sachs

Convention Center Hotel Consultant
Strategic Advisory Group

HOTEL SITE

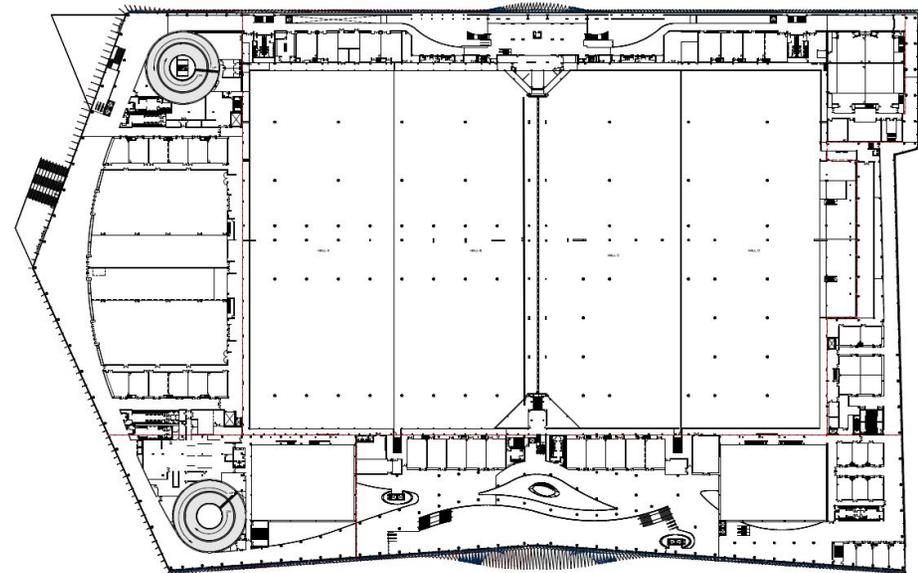


CONVENTION CENTER FACILITY PROGRAM



CURRENT

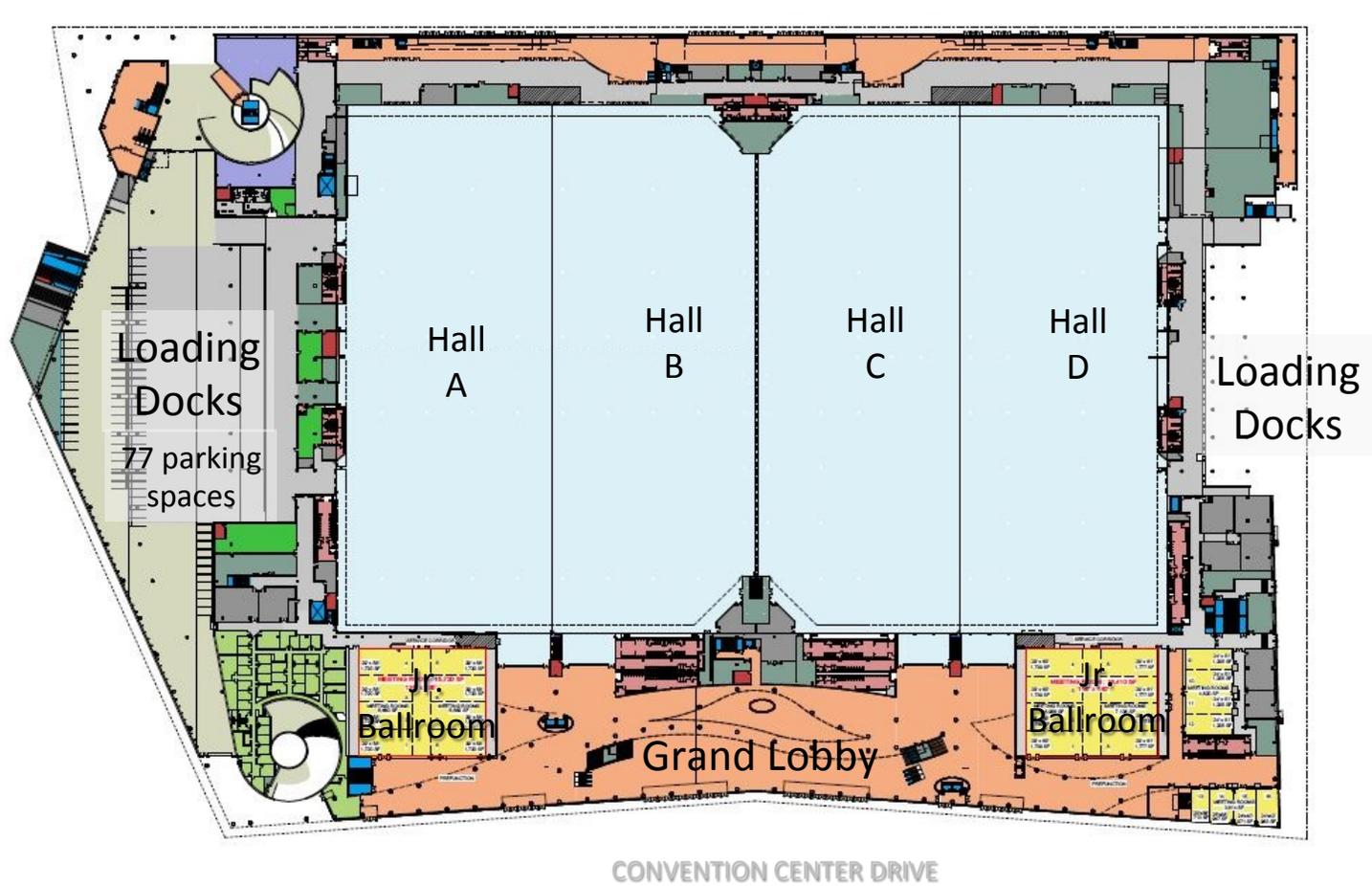
Exhibit Space	500,000 SF
Meeting Rooms (74)	127,000 SF
Support Spaces	545,376 SF
TOTAL	1,172,376 SF



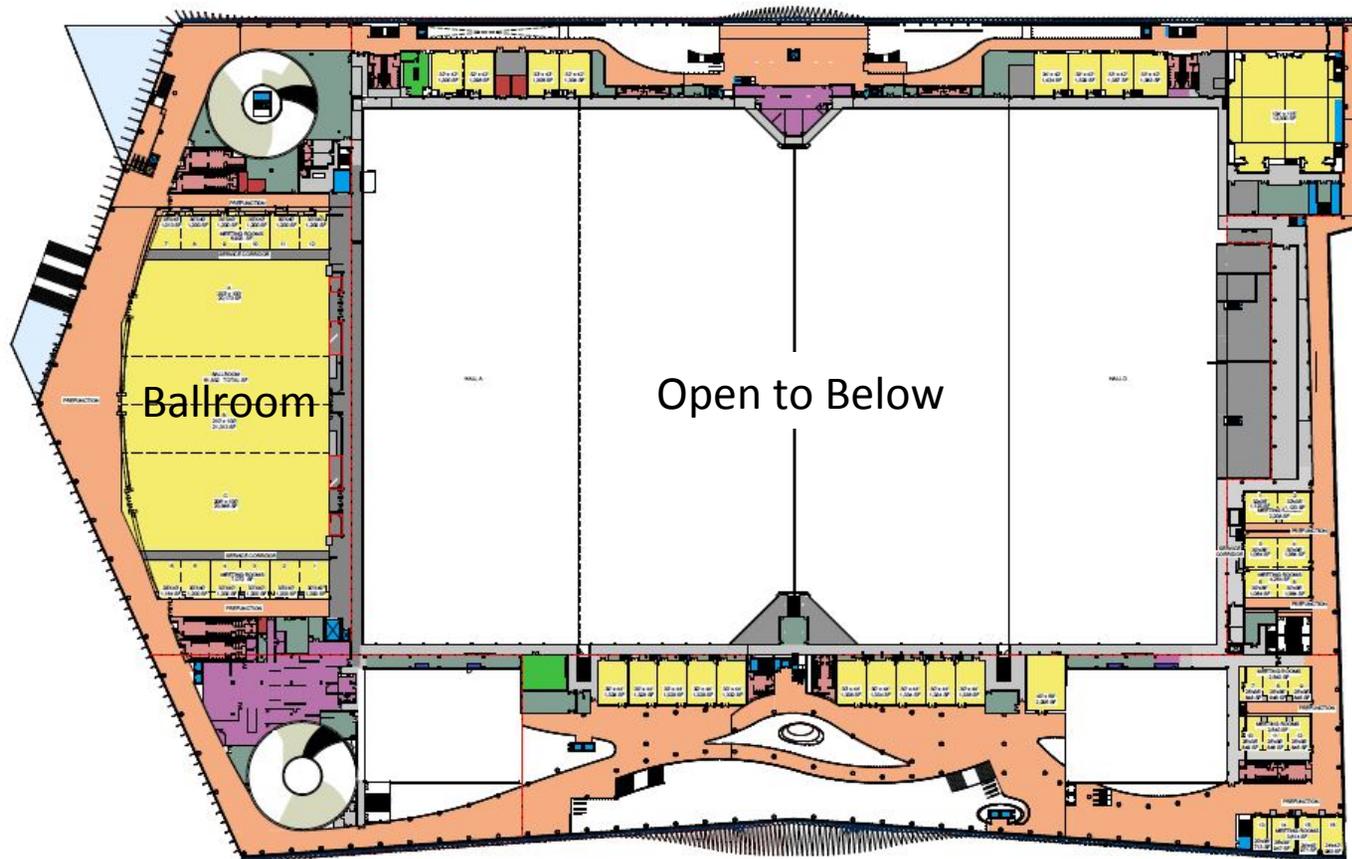
PROPOSED

Exhibit Space	505,190 SF
Ballrooms / Meeting Rooms (84)	186,940 SF
Support Spaces	774,243 SF
TOTAL	1,466,373 SF
Parking	365,700 SF

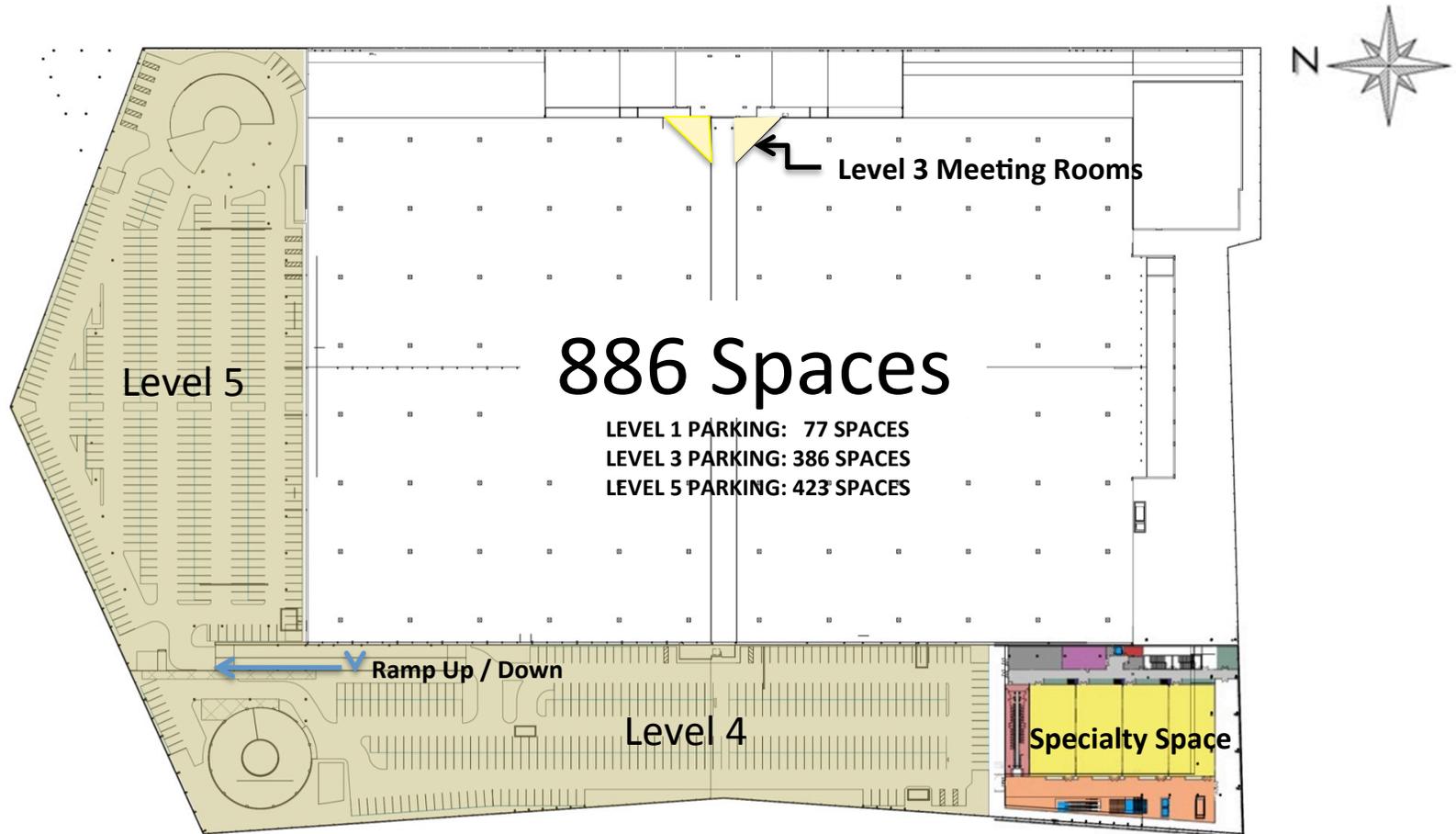
FACILITY PLAN – LEVEL 1



FACILITY PLAN – LEVEL 2



FACILITY PLAN LEVELS 3-5 AND PARKING



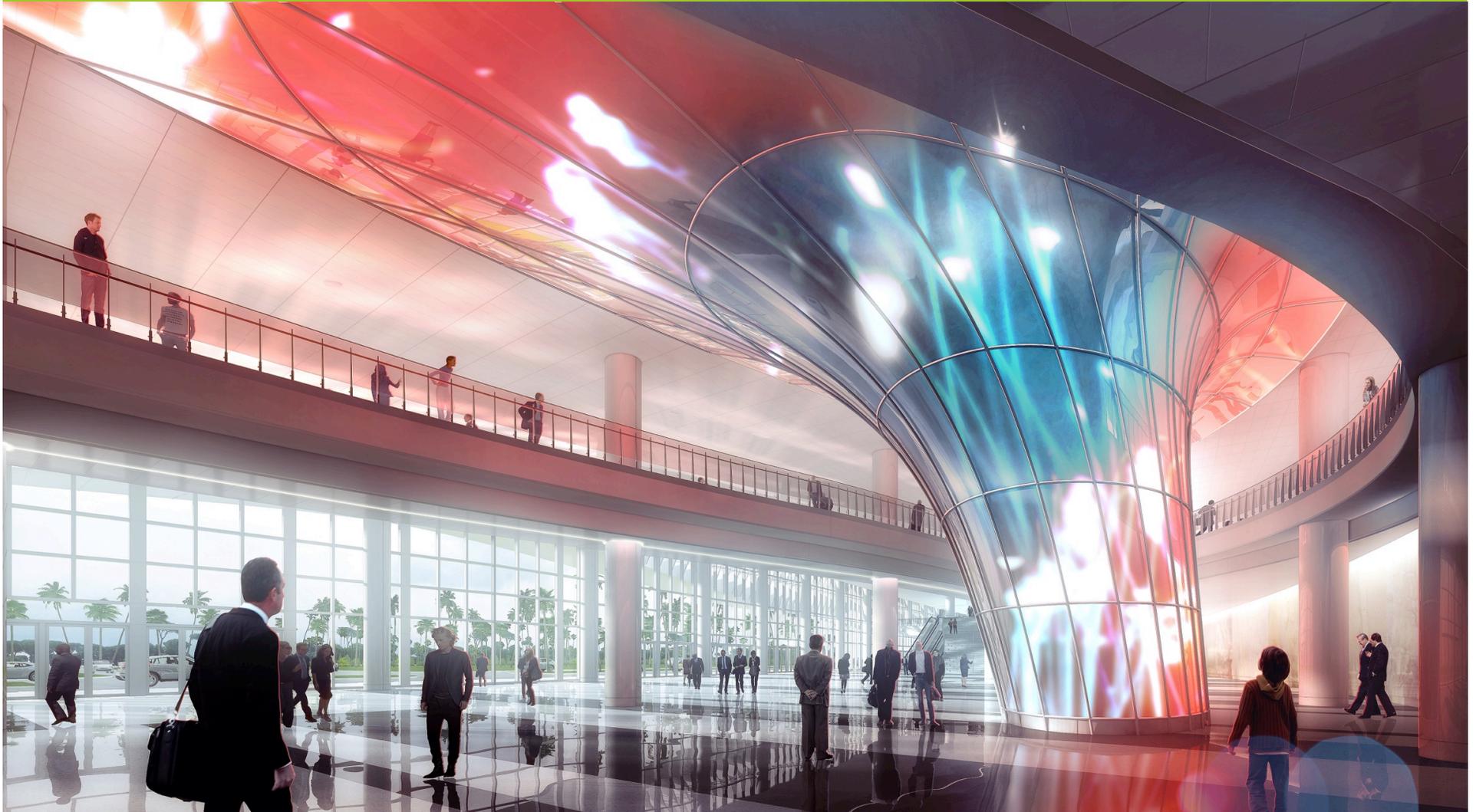
CONVENTION CENTER LOBBY



CONVENTION CENTER LOBBY



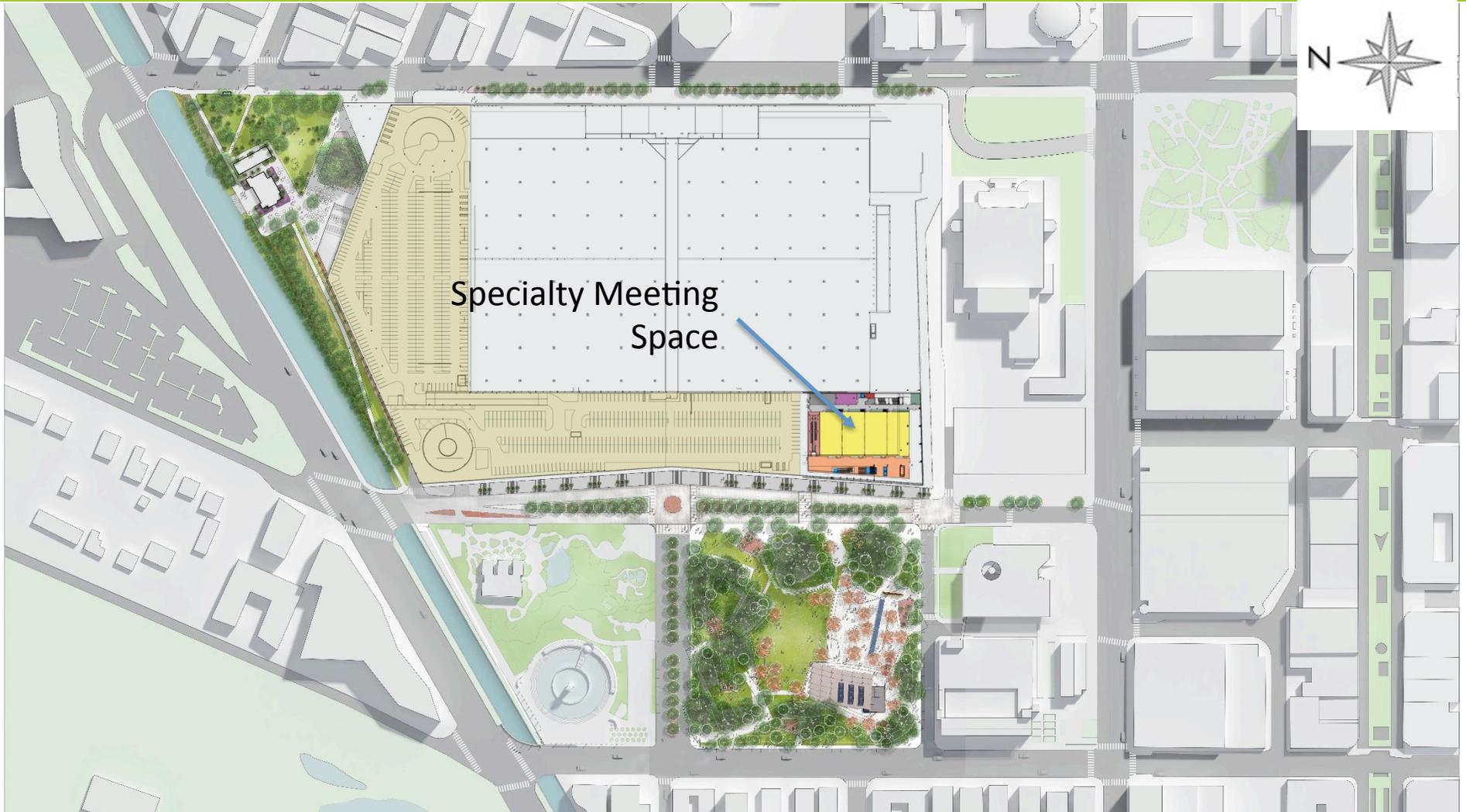
CONVENTION CENTER LOBBY MEDIA FEATURE



CONVENTION CENTER GRAND BALLROOM



LEVEL 4 MEETING SPACE



CONVENTION CENTER VIP LOBBY



CONVENTION CENTER VIP ROOM



CONVENTION CENTER DRIVE SOUTHWEST CORNER



CONVENTION CENTER DRIVE SOUTHWEST CORNER



Hotel Connector

CONVENTION CENTER DRIVE



CONVENTION CENTER DRIVE

A NEW FRONT DOOR



CONVENTION CENTER DRIVE



CONVENTION CENTER DRIVE



WASHINGTON AVENUE



WASHINGTON AVENUE



NORTHEAST CORNER



NORTHEAST CORNER GRAND BALLROOM



WASHINGTON AVENUE BALLROOM TERRACE



CONVENTION CENTER ENTRANCE



CONVENTION CENTER ENTRANCE



PARK AND STREETSCAPE PLAN

Nearly 12 Acres of New Parks and Streetscapes



CONVENTION CENTER PARK

TRANSFORMING THE NEIGHBORHOOD

175 NEW TREES - 100% SHADE TREES



FLEXIBLE LAWN

A PLACE FOR RELAXATION AND GATHERING



GATEWAY VIEW



PAVILION DESIGN

ACTIVATES THE PARK WITH NEIGHBORS AND
CONVENTION GOERS



PAVILION INTERIOR



THE GROVE AT DISCOVERY GREEN

Houston, TX

OUTDOOR PAVILION



PARK PAVILION



PARK PAVILION – NIGHT VIEW



VIEW FROM MERIDIAN



NORTH BALLROOM PARK

Removes 1.8 acres of hardscape and buildings
Renovates over 1,000 feet of canal edge
Creates 3.5 acres of contiguous open spaces



REVITALIZE THE CANAL

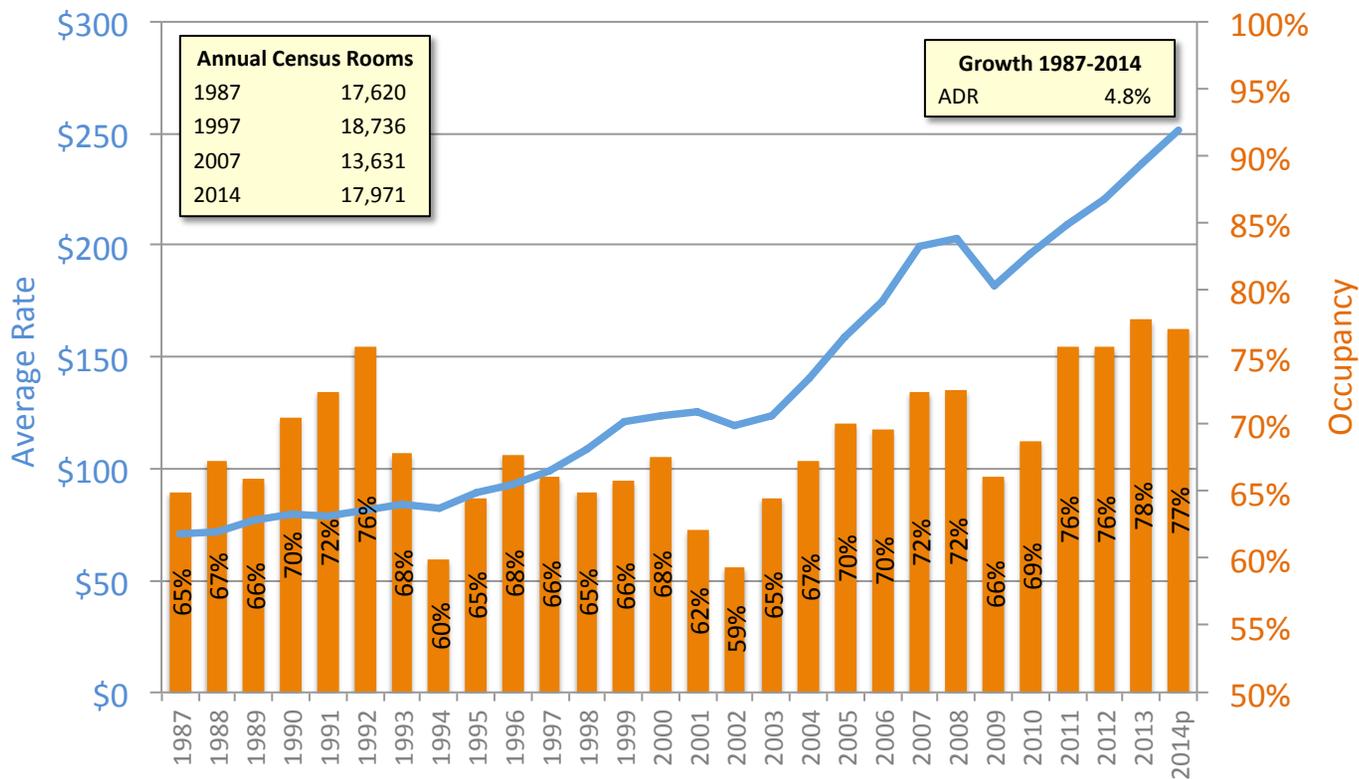




Hotel Background

MIAMI BEACH HOTEL MARKET

Market Hotel Performance

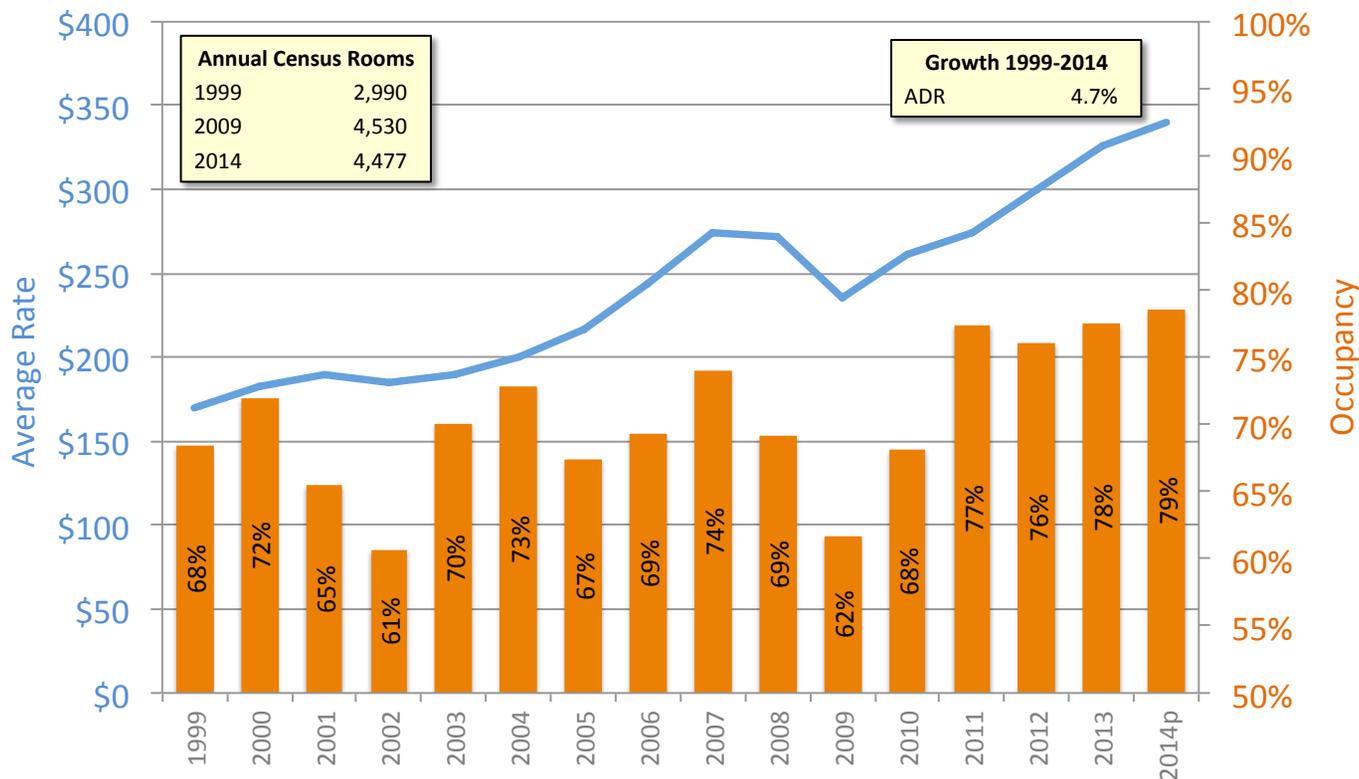


- Dynamic market with wide array of hotel products
- Includes nearly 18,000 rooms in more than 150 hotels
- Averaged 68.6% in occupancy; mid to upper 70%-range since 2011
- Averaged 4.8% annual growth in ADR
- Limited development opportunities

Source: Smith Travel Research.

MIAMI BEACH HOTEL MARKET

Comparable Hotel Performance



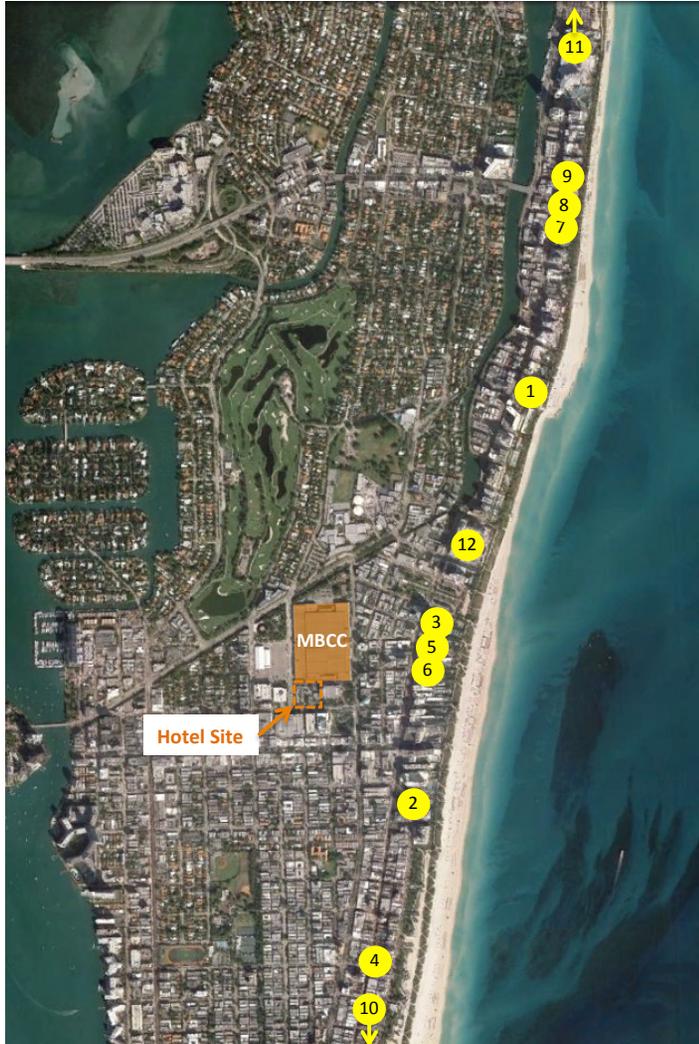
- Averaged 70.6% in occupancy; upper 70%-range since 2011
- Averaged 4.7% annual growth in ADR
 - \$50-\$90 premium over marketwide
 - ADR projected at \$340 in 2014

Comparable Hotels

- 1,440-room Fontainebleau Miami Beach
- 790-room Loews Miami Beach Hotel
- 627-room Eden Roc Miami Beach
- 393-room The James Royal Palm
- 349-room W Hotel South Beach
- 308-room Shore Club South Beach
- 251-room The Palms Hotel & Spa
- 224-room Marriott Stanton South Beach
- 95-room Hilton Bentley

Source: Smith Travel Research.

MIAMI BEACH HOTEL VALUES



Hotel	Rooms	Sale/Room	Year
1 Marriott Edition	294	\$782,300	2015
2 Royal Palm	393	\$707,400	2015
3 Setai	130	\$692,300	2014
4 Dream	108	\$648,100	2014
5 Shore Club	309	\$567,300	2013
6 Raleigh	105	\$538,100	2014
7 Courtyard	263	\$361,200	2011
8 Lord Tarleton	251	\$338,600	2012
9 Days Inn	93	\$314,500	2014
10 Park Central	125	\$312,000	2013
11 Hilton Cabana	231	\$310,000	2014
12 Gansevoort South	334	\$300,300	2012

Source: Smith Travel Research, South FL Business Journal, Hotel Management

MIAMI BEACH CONVENTION CENTER



- Opened in 1957
 - Expanded in 1968, 1974, 1989
- Since 2009:
 - Hosted between 94 and 134 events annually
 - Attracted 589k to 738k attendees
 - Generated 106k to 230k room nights
- Impact hindered by quality on Center, lack of adjacent HQ hotel and policy allowing non-room night generating events to book prime dates

	Number of Events	Attendance	Room Nights
FY 2009	94	632,700	229,000
FY 2010*	105	708,800	103,100
FY 2011	118	661,600	199,200
FY 2012	132	661,300	175,500
FY 2013	115	589,700	132,600
FY 2014	134	738,000	141,400

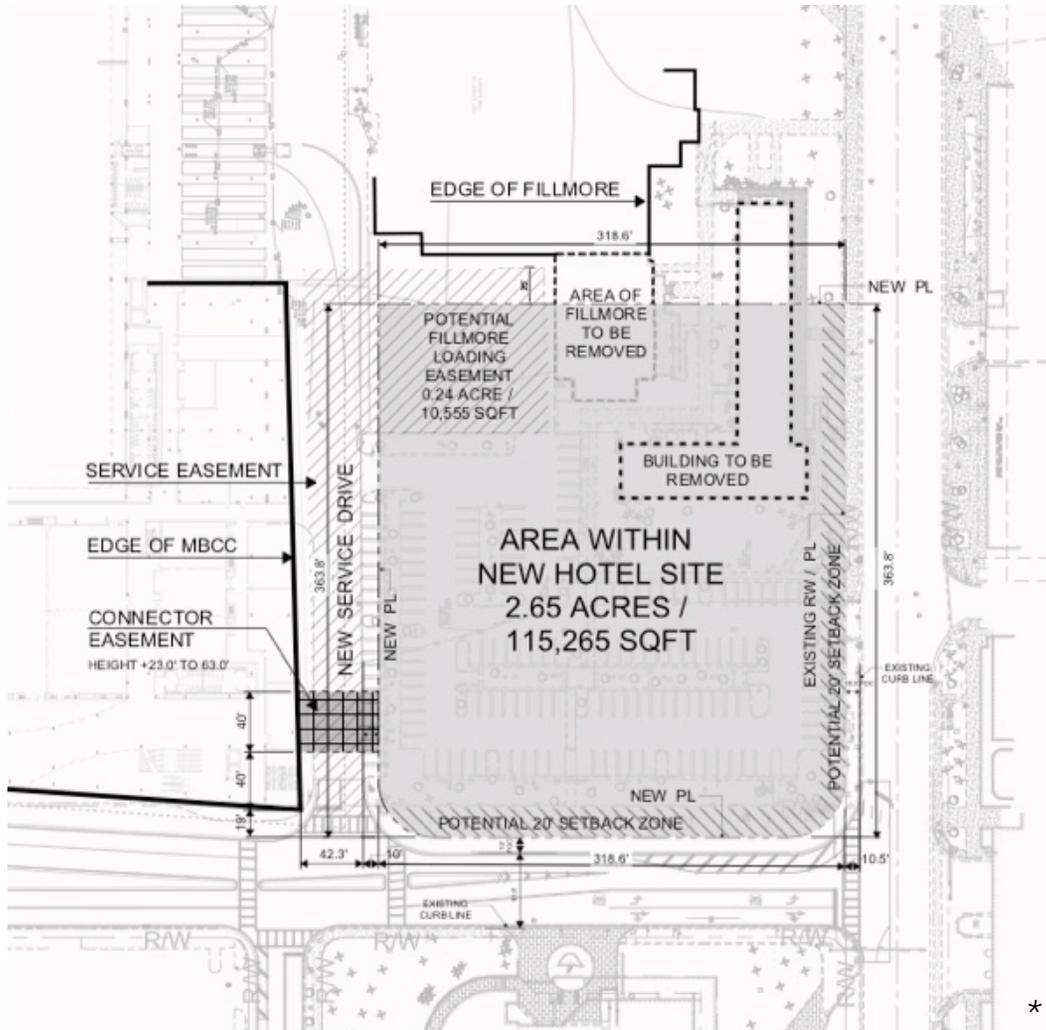
* Super Bowl in Miami.
Source: MBCC and GMCVB.

LINCOLN ROAD



- 1.5 blocks from hotel site between West Avenue and Washington Avenue
- Pedestrian-only promenade offering unique shopping, sidewalk cafes, bars, galleries, and fine dining
- Among most popular destinations for visitors to the South Beach area
- GMCVB estimates 6.1 million of the 14.2 million visitors to Miami area in 2013 went to Lincoln Road

HOTEL SITE



- 800 full-service rooms max
- 300 feet height max
- 0.4 parking spaces per room
- Developer to fund and build MBCC Skybridge connector
- Developer responsible for demolition* and construction costs
- Developer must accept site in AS-IS condition

* Responsible for cost on and off hotel site.

MINIMUM QUALIFICATIONS

- Proposer (Developer)
 - Developed 2 hotels with at least 500 rooms each in last 20 years
 - Must have been predominantly private financing (more than 50%)
- Design Team
 - Designed 1 completed hotel with at least 500 rooms in past 15 years

KEY TERMS

- No Gambling
 - Use restriction to prohibit gambling on Hotel Site
 - Developer/owners for term of lease may not own, operate or manage any establishment offering gambling or wagering in Miami-Dade County
- Voter Referendum Required
 - 60% of voters must approve lease
 - November 2015 ballot

ROOM BLOCK REQUIREMENT

- Broad Terms
 - City-Wide Events and Orange Bowl, Super Bowl
 - 80% of rooms 30 months and out
 - 18 – 30 months, if available
 - One 4-day period each month (operator determined)
 - Includes release of block provisions
 - For up to 14 event days per month
 - Price protection based on average group rate

DEVELOPMENT & GROUND LEASE AGREEMENT

- Executed prior to July 27, 2015
- Term, lease payment, and other material provisions
- Mechanics of equity and debt funding
- Detailed design and development schedule
- Identification of brand/operator
- Execution of ancillary agreements
 - Room block
 - Fillmore loading dock and other access easements

SUBMISSION REQUIREMENTS

- Tab 1: Executive Summary
 - Minimum Qualification compliance
- Tab 2: Organization Plan
 - Organizational structure
 - Key personnel and Resumes
 - Aspirational goals for City and County employment
- Tab 3: Proposer Experience & Qualifications
- Tab 4: Design Team Experience & Qualifications

SUBMISSION REQUIREMENTS

- Tab 5: Hotel Program, Conceptual Design and Preliminary Development Budget
 - Hotel brands considered
 - Architectural diagrams
 - Preliminary development budget
 - Development schedule

SUBMISSION REQUIREMENTS

- Tab 6: Financial Plan & Financial Capability
 - Site lease
 - Desired term
 - Rent as a percentage of gross revenues
 - Fixed minimum annual rent payments
 - Finance plan
 - 10-year operating proforma
 - Capital cash flows
 - Financial capabilities

SUBMISSION REQUIREMENTS

- Tab 7: Terms of Ground Lease
- Tab 8: Forms
- Tab 9: Other

EVALUATION CRITERIA

100 points awarded for:

- 30 Hotel finance plan and Proposer financial capabilities
- 25 Proposed financial and Development and Ground Lease terms
- 20 Hotel program, conceptual design and preliminary budget
- 10 Proposer experience and qualifications
- 10 Design Team experience and qualifications
- 5 Organization plan

5 additional points awarded for:

- Proposer who is a State-Certified Service-Disabled Veteran Business Enterprise

RFP SCHEDULE

Issuance of RFP	January 29
Issuance of Addendum with Form of Development and Ground Lease Agreement	February 26
Pre-Submittal Meeting	February 27
Deadline for Receipt of Questions	March 30
Proposal Due	April 10
Selection Committee Interview/Ranking	May 7
Commission Approval of Selection	May 20
Commission Approval of Referendum Language and final Development and Ground Lease Agreement	July 27
Referendum	November 3



Q & A