

# Houstonfirst<sup>SM</sup>

## Development of a Hotel Located on Top of the North Parking Garage Attached to the George R. Brown Convention Center



Pre-Submittal Conference  
Thursday, August 28, 2014





Tom Reifert

Strategic Advisory Group



# Agenda

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- Welcome
- Sign-In Sheet
- Purpose of RFP
- Schedule
- Hotel Site
- GRB Planned Enhancements
- Surrounding Assets
- Project Requirements
- Public Participation
- Submission and Process
- Evaluation Criteria



# Purpose of RFP

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- HFC seeking a developer and design team to develop, own and operate a hotel located on top of the 1,900-space parking garage
  - Seeking developer and design team members only at this time
  - Should not include hotel brand unless proposing as developer/investor
  - May include construction firms but not required



# RFP Schedule

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- Issue Date August 12
- Pre-submission conference August 28
- Deadline for questions October 8
- Deadline for receipt of response October 17
- Interviews October 29/30
- Selection November 17





Marie Hoke

WHR Architects



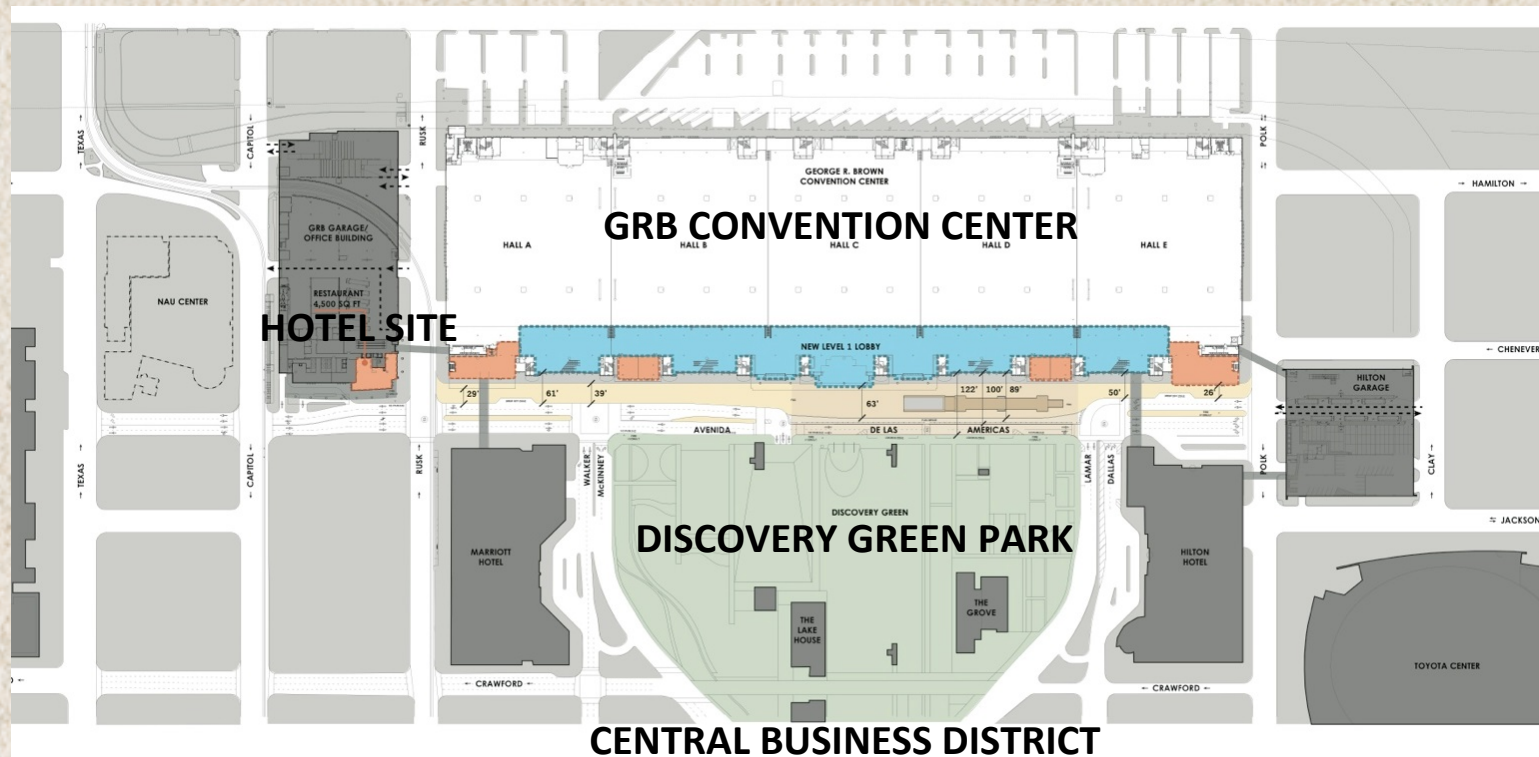
# Site Description

Located on top of the approximate 1,900-space parking garage that is currently under development and will be attached via skywalk to the GRB



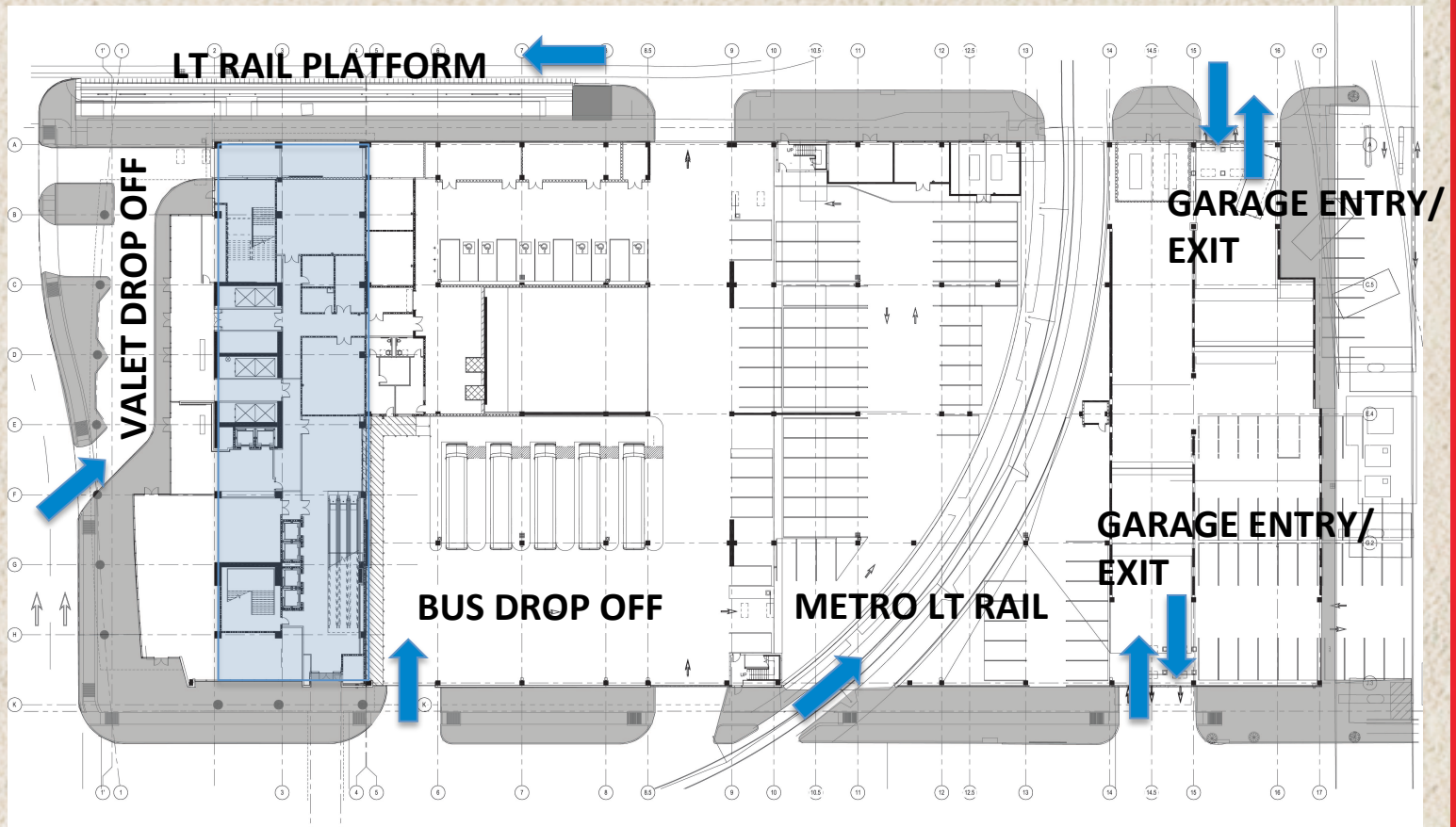


# Site Plan



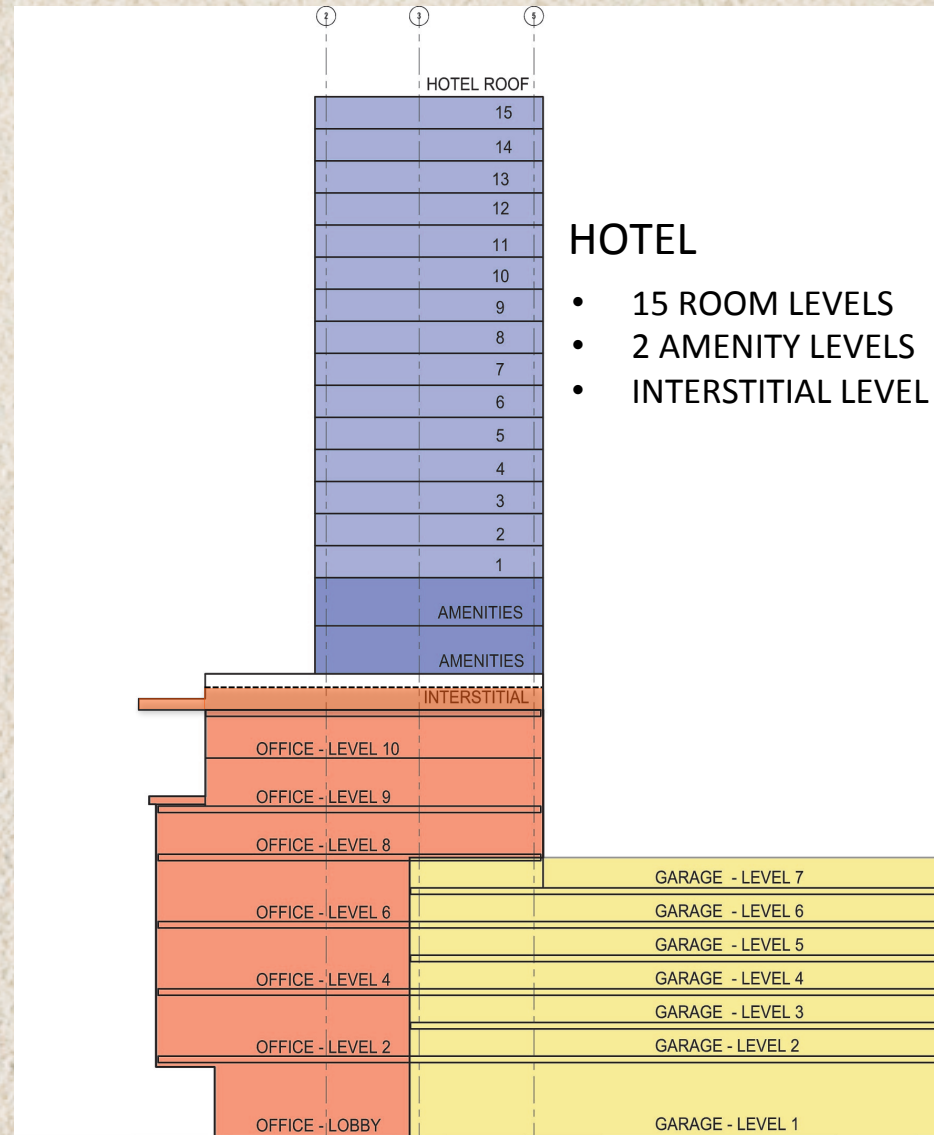


# Garage Plan – Level 1





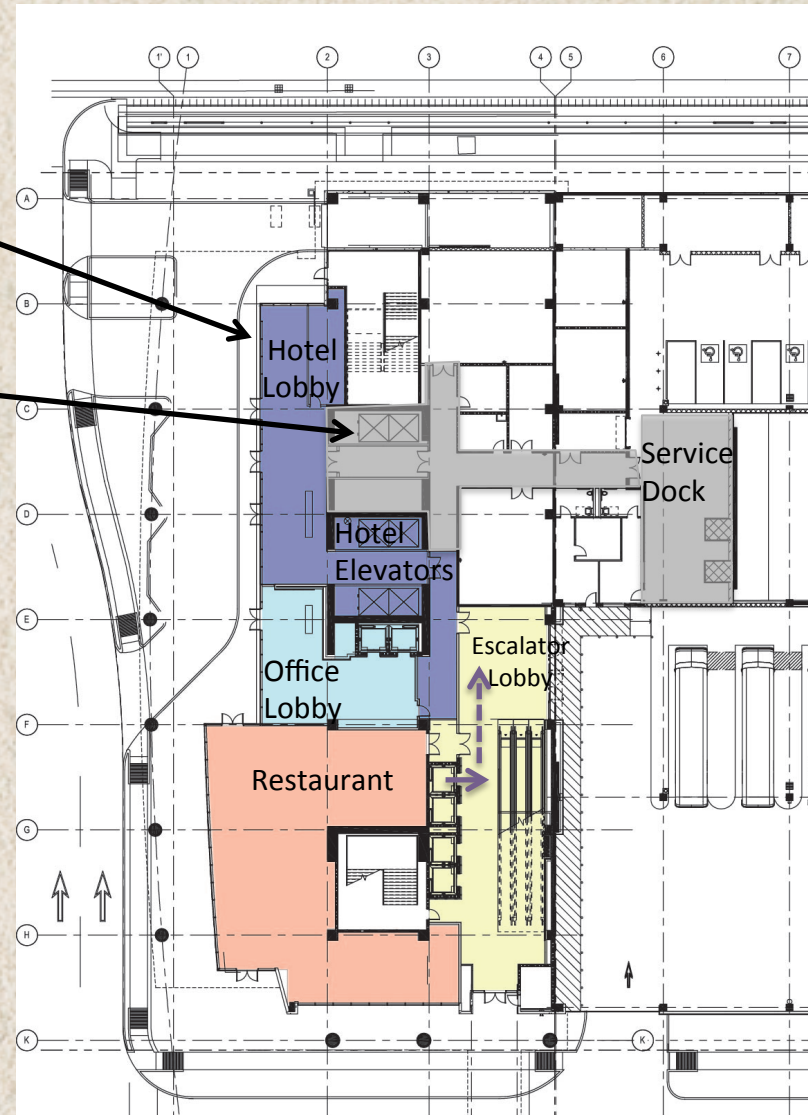
# Site – Building Section





# Hotel Site – Level 1

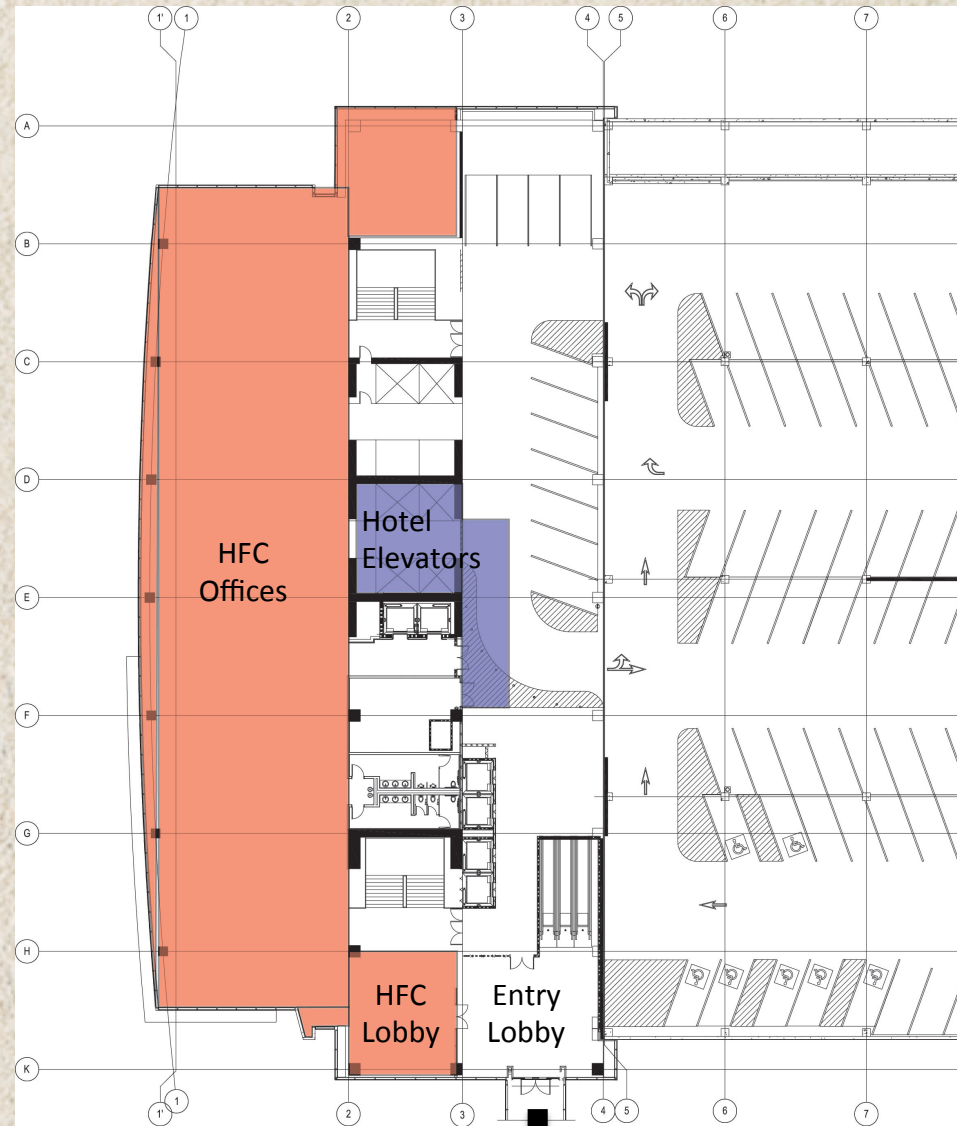
- 2,500 square foot lobby
- One dedicated hotel service elevator and one shared service elevator
- Up to 200 parking spaces available for hotel use





# Hotel Site – Level 2

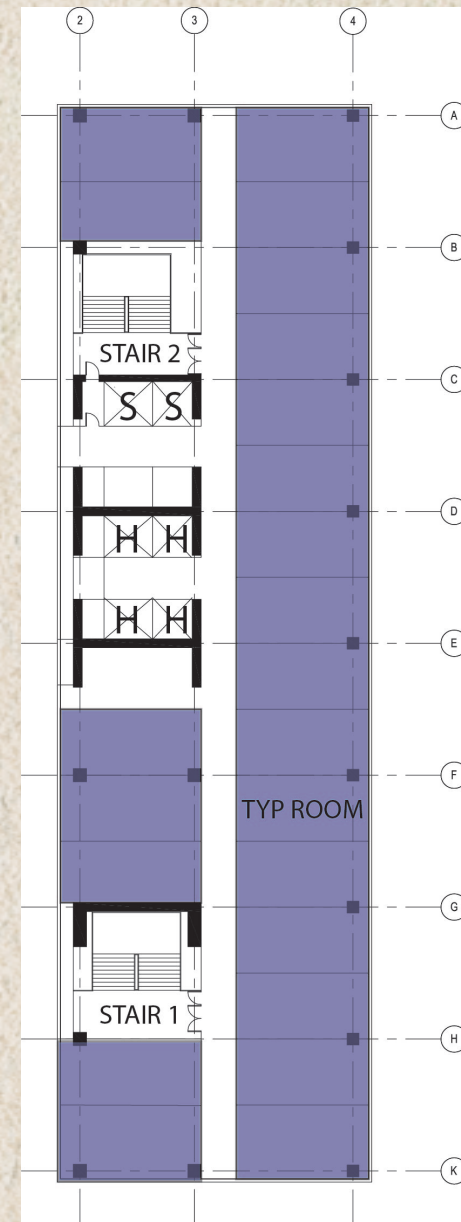
- Direct connection via skybridge to GRB Convention Center





# Hotel Site – Floor Layout

- Development potential
  - Two amenity floors plus 15 room floors
  - Typical guest room floor 23 x 450 SF, totaling 10,350 square feet
  - Creates up to 345 - 15' x 30' room bays
  - Utilizes office column grid
- Alternate grid
  - Transfer beams could be utilized to relocate column grid
  - At developers expense
- Maximum Occupancy is based on established width of stairs: 753
- Working through current and anticipated code requirements





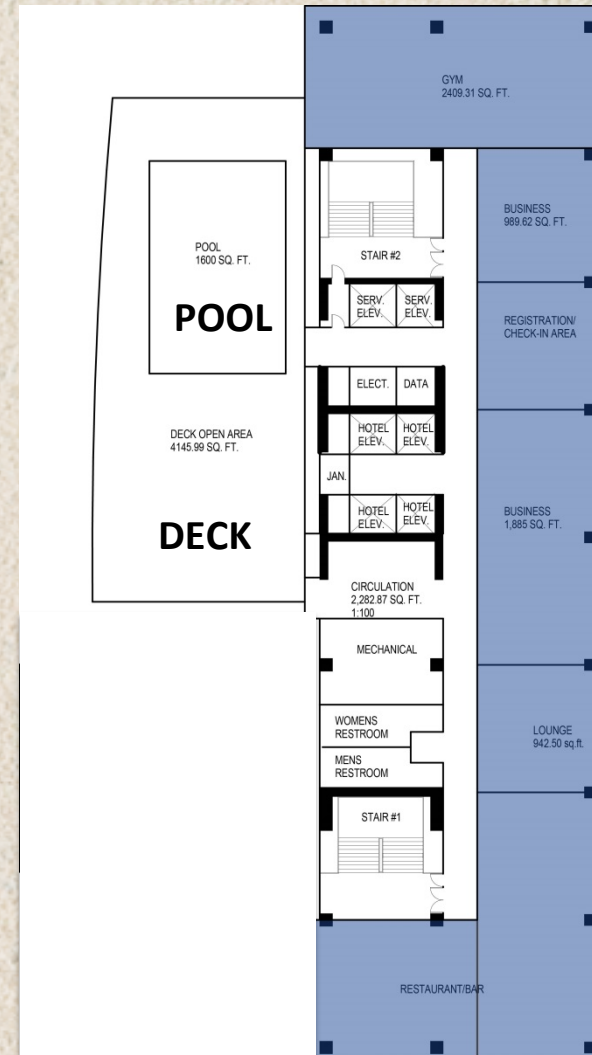
# Hotel Site – Amenity Deck Concept

STAIR CAPACITY WITH (2) 9'-5"  
STAIRS IS 753 OCCUPANTS

## OCCUPANCY TOTALS

OCC. TYPE	OCCUPANCY	EGRESS WIDTH
BUSINESS	28.75	32.571"
CIRCULATION	19.87	5.97
RESTAURANT	193.67	58.101"
LOUNGE	62.83	18.849"
QUEING	10.51	3.153"
GYM	48.19	14.457"
MECH	1.96	.588"
ELECT/DATA	.77	.231"
JAN.	.19	.057"
POOL	32	9.6"
DECK	276.19	82.857
TOTAL	734.88	220.464"
= 18'-5" (2 STAIRS 9'-2 1/2" WIDE)		

AMENITY LEVEL -  
ASSUMED OCCUPANCY TYPES





# Timing

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- Construction Documents Completed
- Estimated Construction Start August 2014
- Hotel Pad Available for Construction September 2015
- Garage construction complete December 2015



# Garage Design Documents

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- Will be available to Lead Proposers only
- Must execute confidentiality and disclaimer agreement
- Available on HFC website



# Light Rail





# Green Link

- Houston First teamed up with BG Group and the Downtown Management District to launch and operate Greenlink, a free transportation system for downtown Houston that runs weekdays from 6:30 a.m. to 6:30 p.m.
- The Greenlink fleet runs on compressed natural gas, making them a cleaner transportation alternative. The route includes 18 stops around downtown and arrives at stops every 7-10 minutes.





# Downtown Retail Taskforce Recommendation

## Envisioning A Vibrant Shopping District Downtown Houston



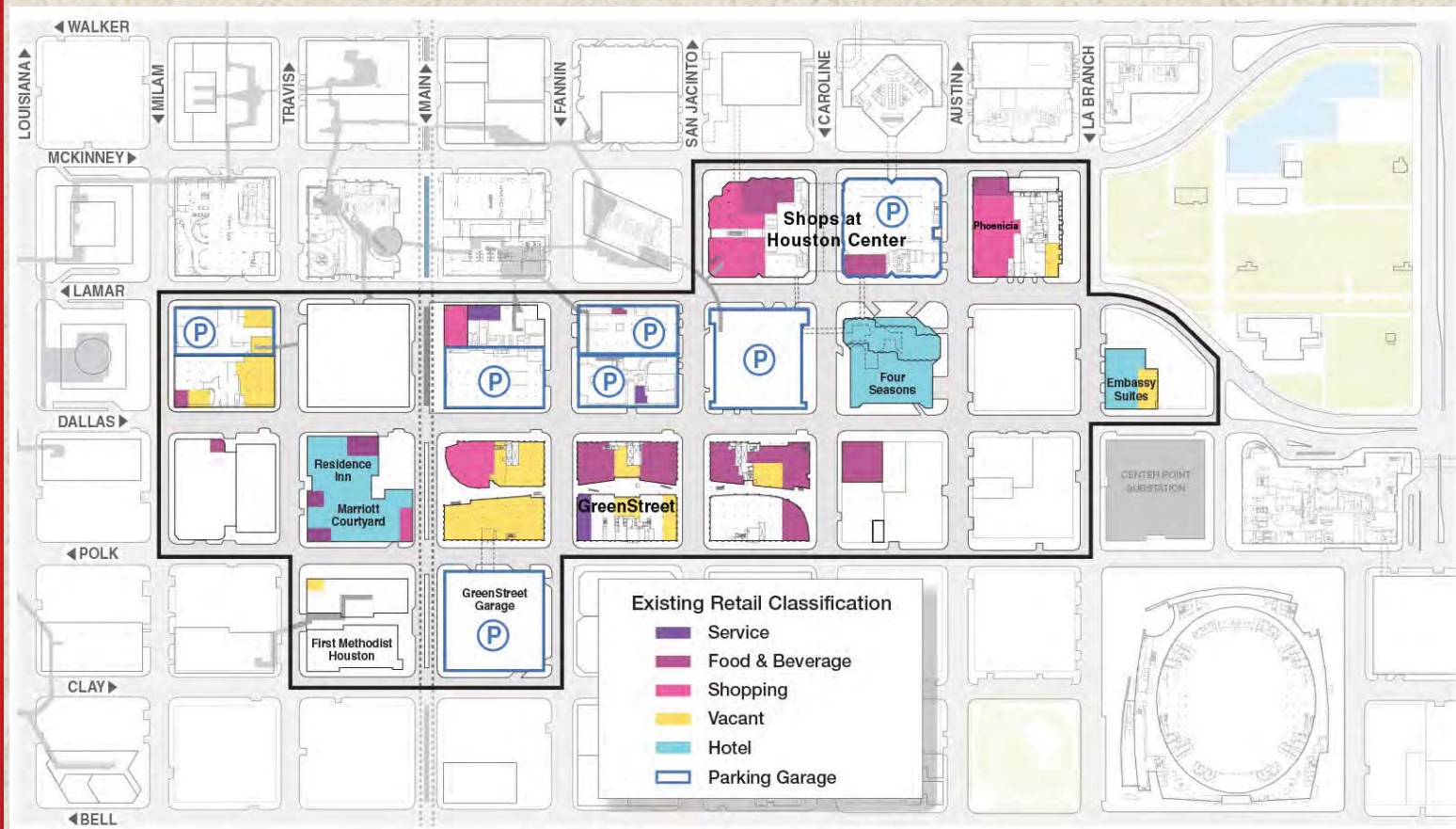


# Downtown Retail Taskforce Recommendation





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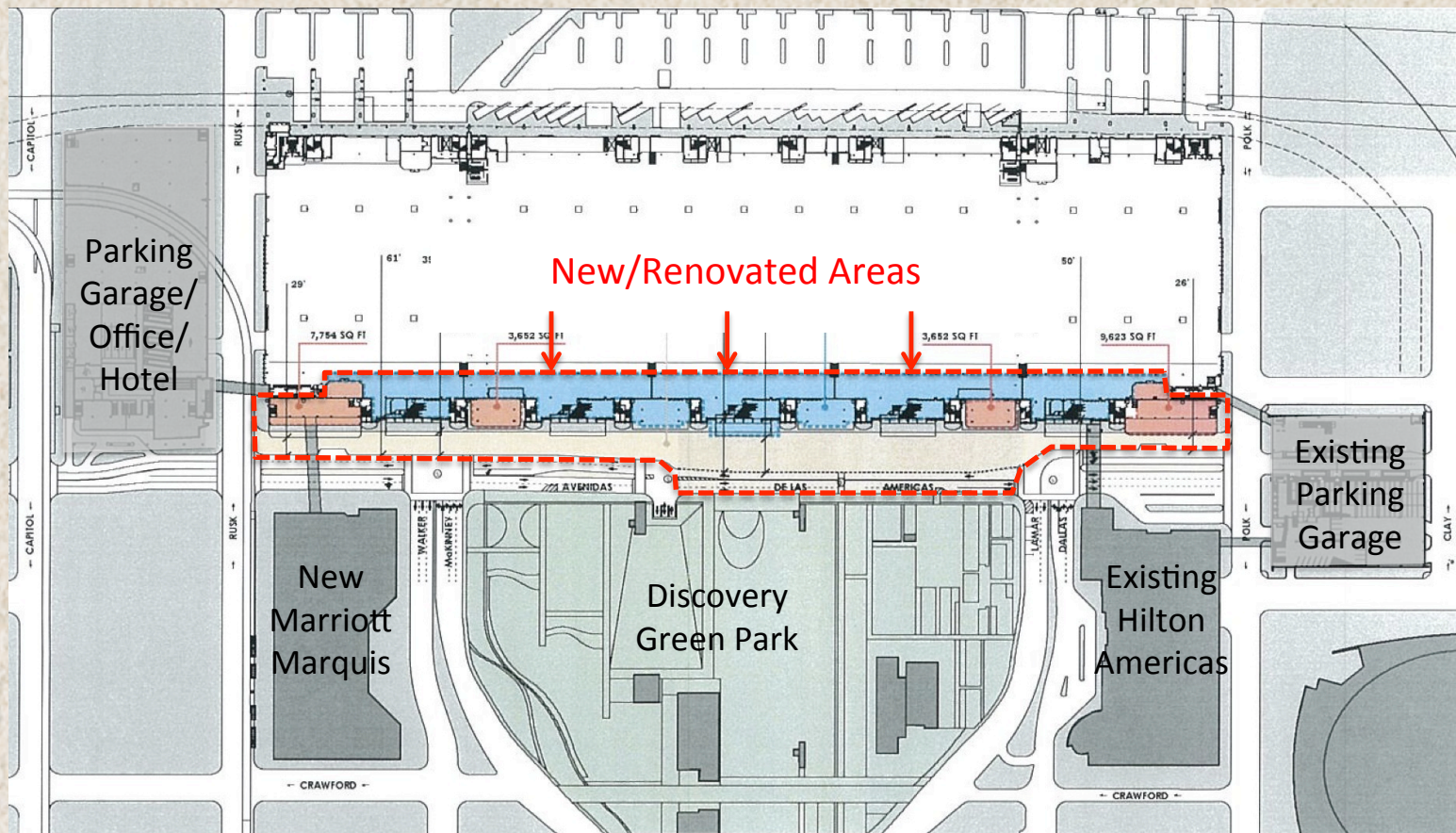
Proposed Shopping District - Plan



# GRB Planned \$70m Enhancements

New 84,000 SF lobby

New 84,000 SF outdoor plaza area





# Avenida De Las Americas Improvements



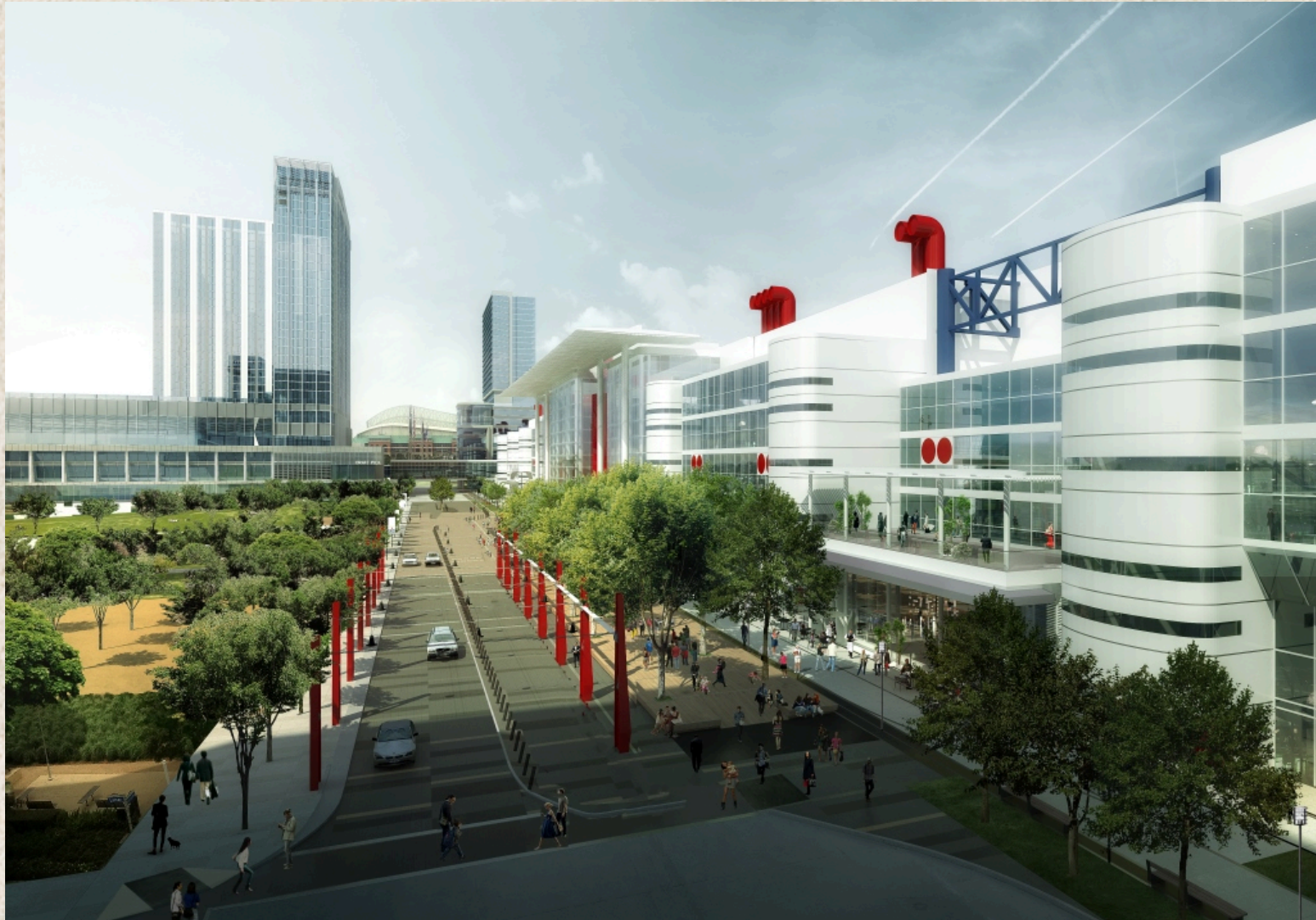


# GRB Renovation





# The Campus





# The Stage





# The Cloud





# The Gardens







Tom Reifert

Strategic Advisory Group



# Surrounding Activity

	2013	
	Events	Attendance
GRB Convention Center	218	931,400
Discovery Green	795	402,400
Minute Maid Park	81	1,651,900+
Toyota Center	41	743,100+
BBVA Compass Stadium	17	338,700+
		<u>4,067,500+</u>

Note: Sports stadium attendance does not include other sporting, special or concert events.  
Source: Houston Dynamo, NBA, MLB, GRB, Discovery Green



# GRB Convention Center



- Opened 1987, expanded 2003
- Exhibit SF 862,000
- Meeting SF 123,000
- Ballroom 31,600
- 10th largest convention center
- 2013 – 212 events; 917,000 attendees; 433,700 room nights
- 2014p - 269,000 room nights
- 2015p - 273,000 room nights



# Hilton Americas



- HFC developed and owns
- Opened 2003
- 1,200 rooms
- 91,000 SF of meeting space
  - 40,000 SF ballroom
  - 26,000 SF jr ballroom
  - 30 meeting rooms
- Business center
- Two restaurants
- Fitness center and spa



# Marriott Marquis



- Opening mid-2016
- 1,000 rooms
- 104,000 SF of meeting space
  - 39,700 SF ballroom
  - 21,700 SF jr ballroom
- Two restaurants
- Texas-shaped lazy river
- Fitness center and spa



# Project Requirements

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- Developer to propose:
  - Hotel type and number of rooms
  - Hotel that would compliment the surrounding assets
- Parking can be accommodated in garage
  - Up to 200 spaces for self-park and valet



# Public Participation

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*HFC is seeking a privately-financed hotel and expects to enter into a site/pad lease with the hotel owner*

- Potential State Rebates
  - HFC will support the designation of the hotel as a “Qualified Hotel Project” by the City of Houston
  - Designation as a “Qualified Hotel Project” subject to City Council approval
  - If State then approves, a ten-year rebate of the State 6% Hotel Occupancy Tax and 6.25% Sales Taxes could be available



# RFP Submission and Process

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- Submittal requirements and format
  - Executive Summary
  - Team Organization
  - Developer Qualifications and Experience
  - Design Team Qualification and Experience
  - Hotel Program, Conceptual Design, Preliminary Development Budget and Development Schedule
  - Financing Plan
  - Workforce
- Acknowledgements
- Questionnaire
- Evaluation process



# Finance Plan

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- Equity
  - Developer versus third-party equity
  - Level of committed equity
  - Expected financing role of manager/operator
- Debt
  - Amount of debt and willingness to provide debt guarantees
- 10-year Hotel Proforma
- Pad Lease
  - 4% of Gross Revenues at a minimum
  - Base Case Scenario; assumes no public participation
  - Rebate Scenario; assumes receipt of State rebates
- Finance Plan Cash Flows
  - Summarize leveraged and unleveraged cash flows and equity returns



# Workforce

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- Propose good faith efforts and goals
  - Design
  - Construction
  - Operations
- Provide summary of outreach, training, apprenticeship, etc. will implement to train Houston residents in Construction Trades



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# Evaluation Criteria

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- Developer experience, qualifications, financial strength and past performance with privately financed hotels
- Designer experience and qualifications with similar hotel projects
- Recommended hotel type, number of rooms, range of brand considerations and overall program
- Diagrams and renderings communicating the vision
- Development cash flows with summary of significant assumptions demonstrating financial viability
- Terms for pad lease, including lease rate
- Diversity participation
- Agreement with room block
- Overall responsiveness



# Contact Person

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Tom Reifert

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(678) 584-0706 fax

- Requests for additional information or requests for clarifications must be made in writing
- Deadline for questions October 8
- Addenda may be downloaded at <http://www.houstonfirst.com/DoBusiness.aspx>



# Questions

