MIAMI BEACH CONVENTION CENTER HEADQUARTER HOTEL

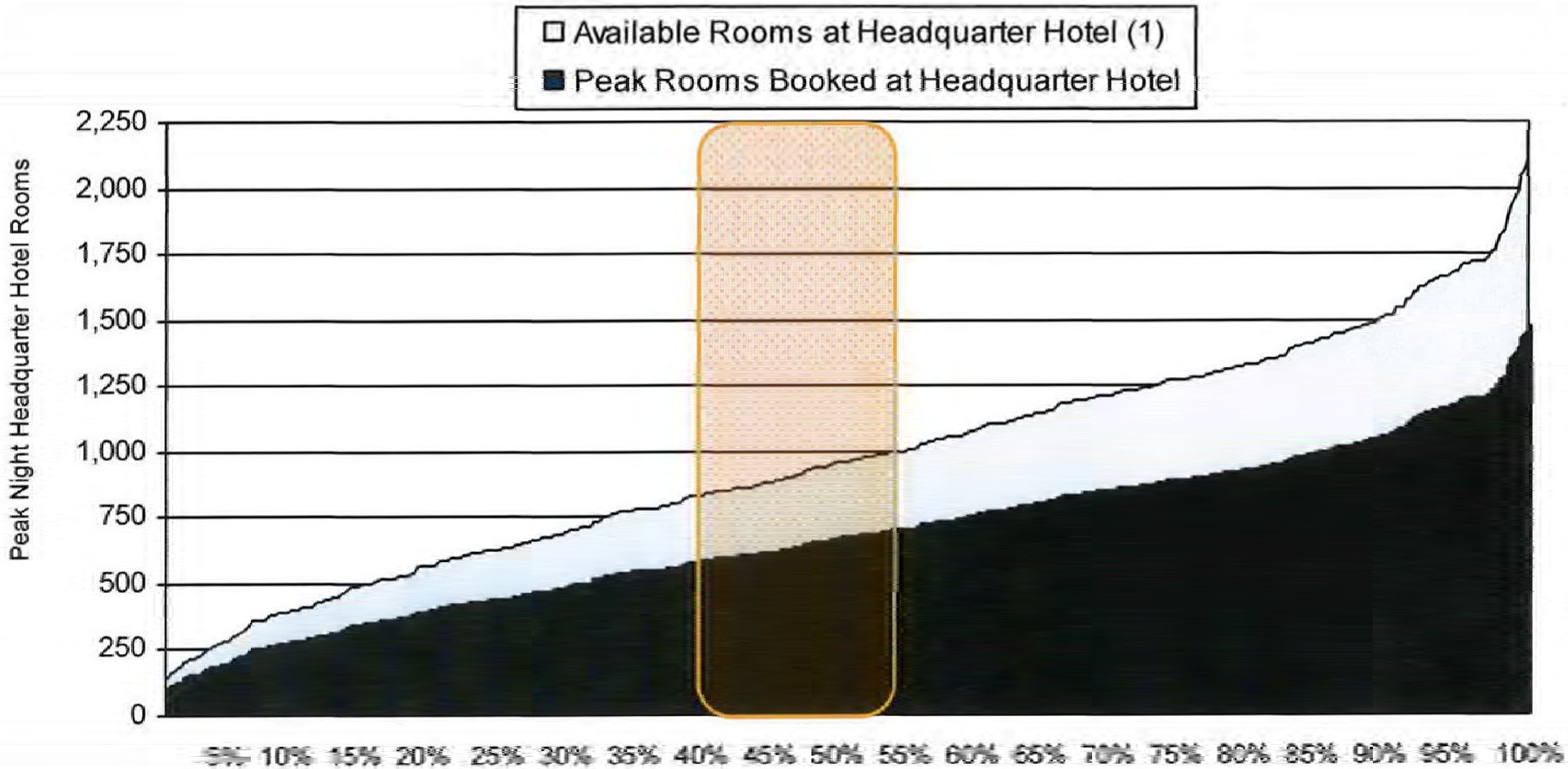
December 18, 2014

AGENDA

- HQ Hotel Background
- Traffic Study
- Hotel Maximum Room Size Decision
- Height & Parking Ordinance

HQ Hotel Background

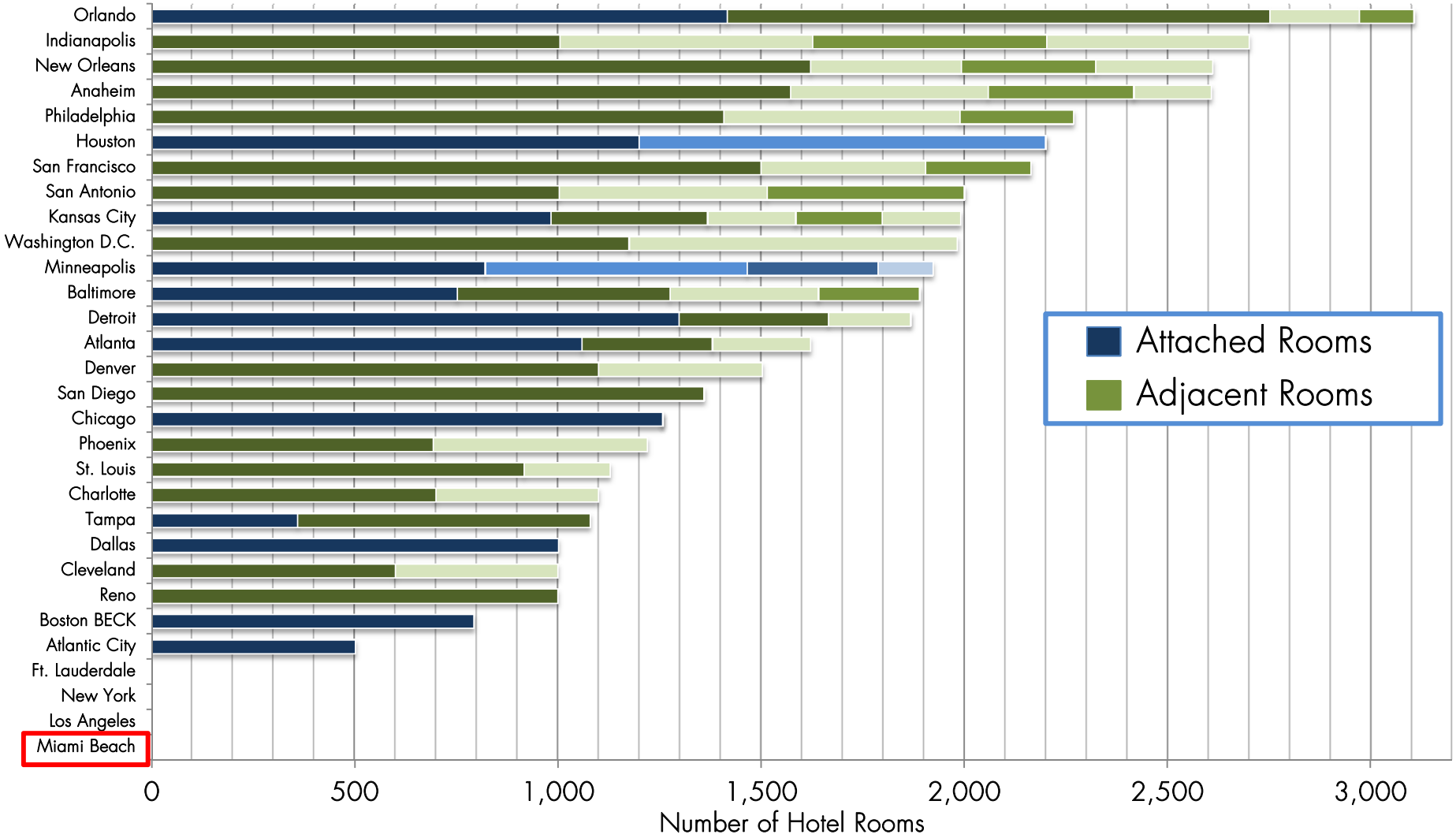
TARGET MARKET
HQ HOTEL REQUIREMENT



(1) Assumes a 70% committability factor.
Note: Data represents approximately 498 events occupying 100,000 to 500,000 GSF of exhibit space per day
Source: DMAI EmpowerMINT database, 2013

Source: CSL.

COMPETITIVE LANDSCAPE



Source: SAG.

CONVENTIONS INDICATING INTEREST…*IF 800-ROOM HQ HOTEL*

		Attendance	Peak Rooms	Future Year Room Nights
Amer Health Info Management Association (AHIMA)	2018	4,000	12,000	3,000
Million Dollar Round Table	2019	8,000	10,600	1,900
IBM	2019 beyond	3,000	7,500	2,200
Oracle	2019 beyond	1,000 1,500		3,500
SAP Users Group	2019 beyond	4,500	12,000	2,500
Cardiovascular Research Foundation (CRF)	2019/22	12,000	24,000	5,000
Amer Society for Radiation Oncology (ASTRO)	2020	12,000	38,000	7,500
Ameriprise Financial, Inc	2020	3,600	10,000	2,150
Amer Soc For Aesthetic Plastic Surgery Inc	2020 beyond	2,500	9,000	1,500
American Academy of Dermatology (AAD)	2020/22/23	18,000	30,000	8,000
American Academy of Periodontology	2021	7,000 2,100		9,500
Assn For Financial Professionals	2022	6,500	20,000	5,000
Amer Acad Of Otolaryngology-head And Neck Surgery	2022 beyond	9,400	21,000	4,300
American Association of Orthodontist (AAO)	2023	19,000	24,000	5,000
Amer College Of Gastroenterology	2024	~~3,500~~	~~9,200~~	2,400
Risk & Insurance Management Society (RIMS)	2024/2025	10,000		24,000
Amer Assn Of Neurological Surgeons	2025	7,000 7,000	15,000	3,500

Source: Greater Miami CVB

HQ HOTEL IMPACT ON CC BUSINESS

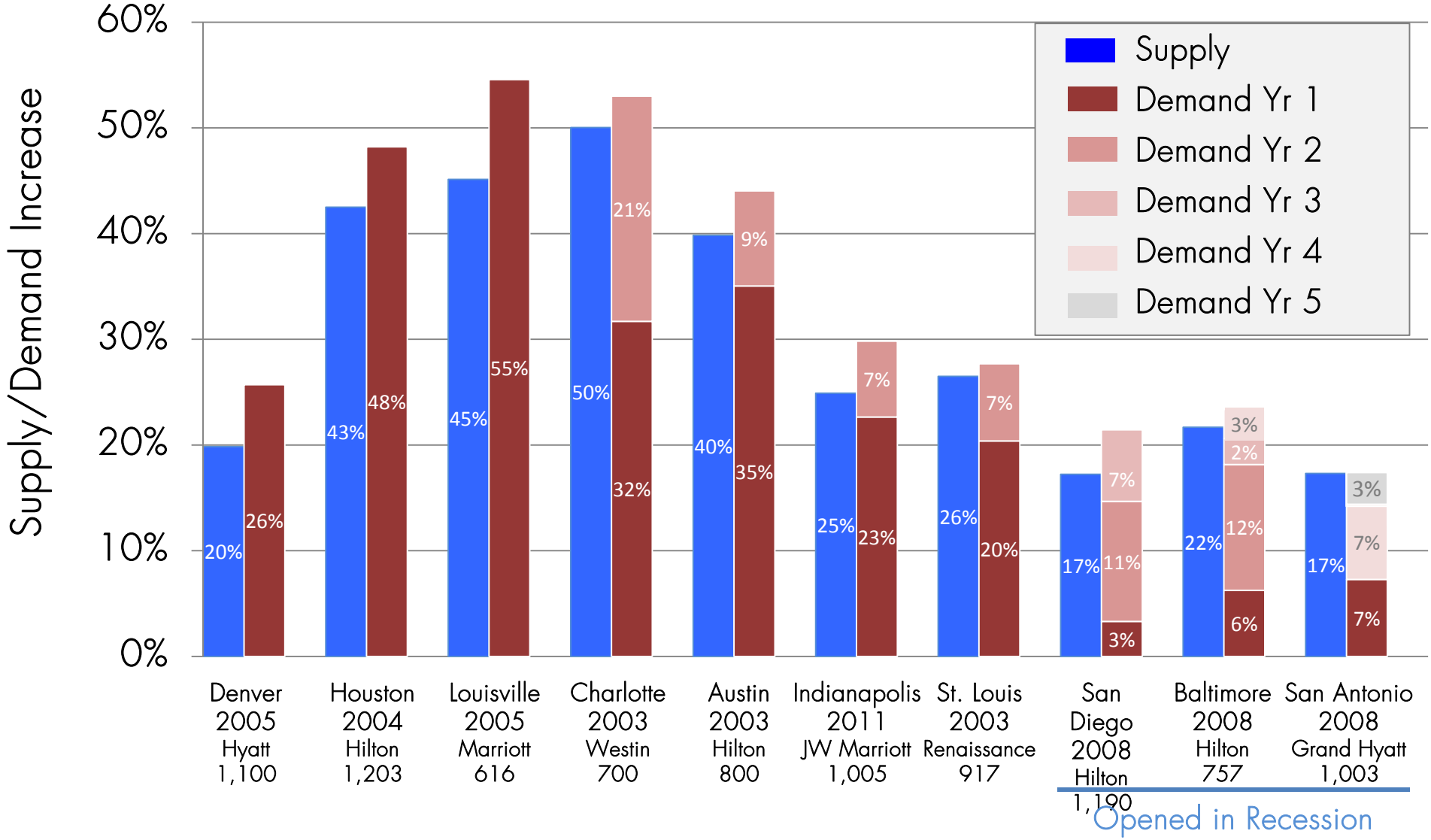
CITYWIDE EVENT ROOM NIGHTS

	Center Exhbit SF	Year Prior to Opening	3 Years After Opening	Percent Increase/ Decrease	Expansion/ Renovation
Phoenix	502,500	*Note 1*	*Note 1*	150%	Hotel & Center
Charlotte	280,000	93,300	158,200	70%	Hotel
Tampa	200,000	*Note 1*	*Note 1*	50%	Hotel
Houston	862,000	175,000	249,700	43%	Hotel & Center
Baltimore	300,000	272,600	387,100	42%	Hotel
Denver	584,000	429,000	600,000	40%	Hotel & Center
Louisville	191,000	*Note 1*	*Note 1*	25%	Hotel
Indianapolis	561,600	650,000	780,000	20%	Hotel & Center
San Antonio	440,000	*Note 1*	*Note 1*	20%	Hotel
San Jose	143,000	153,500	181,200	18%	Hotel
Myrtle Beach	100,800	147,300	173,300	18%	Hotel
San Diego	525,700	729,700	777,000	6%	Hotel
Average				*42%*	

Source: SAG; CVB/Building managers.

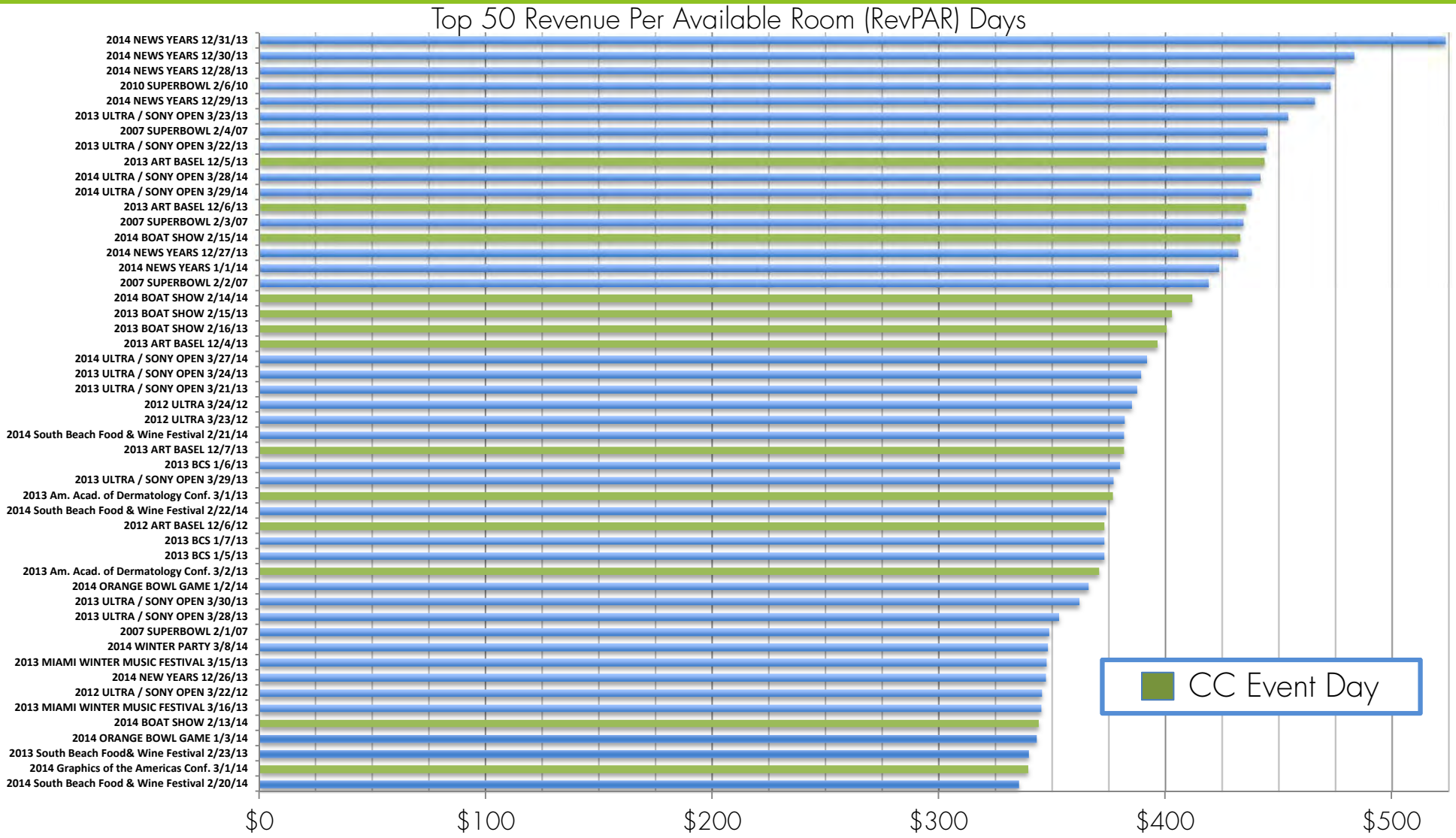
Note 1: Actual room nights were not provided, only an estimated increase.

COMPETITIVE SET DEMAND INCREASES WHEN HQ HOTEL OPENS



Source: Smith Travel Research.

EVENTS DRIVE HOTEL RATES



Source: Smith Travel Research; Greater Miami CVB.

Revenue per Available Room

Traffic Study

STUDY AREA

Julia Tuttle Causeway
1
Chase Ave
Alton Rd
Convention Center Dr
Dade Blvd
8
Washington Ave
2
7
6
SITE
3
Venetian Causeway
4
9
10
11
12
17th Street
Alton Rd
Michigan Ave
Meridian Ave
Convention Center Dr
LEGEND
Project Site
Study Intersection
5
5th Street
MacArthur Causeway

STUDY APPROACH

TWO AREAS OF STUDY by AECOM

- Impact of Hotel Size
- Impact of Change in MBCC Event Mix

HOTEL IMPACT
TRIP GENERATION METHODOLOGY

- Five Hotel occupancy scenarios (400, 600, 800, 1,000 and 1,200 rooms) analyzed
- Three types of guests assumed: Transient, In-house Group and Citywide Convention
- Assumed 75% occupancy
  - 38% Transient
  - 34% In-house Group
  - 28% Citywide Conventions

HOTEL IMPACT
TRIP GENERATION METHODOLOGY

- Estimated weekday PM peak hour 'gross trips' by using the Institute of Transportation Engineers (ITE) Manual equation
  - Hotel Land Use Code (310) was used to estimate the trips
- Applied adjustment factors to gross trips to calculate net vehicle trips.
  - The factors are: multimodal trip adjustment (-10%), vehicle occupancy adjustment (-16%)
- The trips generated from Citywide Convention guests were considered under background traffic/internal capture

ESTIMATED TRIPS

	Hotel traffic in vehicles per hour (during PM Peak)				% Increase in Area Trips
	Transient	In House Group	Citywide Conventions	Total	
400 Room Hotel	59	71	59	130	1.4%
600 Room Hotel	89	107	88	196	2.1%
800 Room Hotel	118	143	118	261	2.8%
1,000 Room Hotel	148	179	147	326	3.5%
1,200 Room Hotel	177	214	176	391	4.2%

Source: AECOM.

TRIP DISTRIBUTION

Direction of Travel (To/From)	Hotel Trips by Direction	Existing Peak Hour Volume	Traffic Generated by Hotel									
			400 Room Hotel		600 Room Hotel		800 Room Hotel		1,000 Room Hotel		1,200 Room Hotel	
			Trips generated	% increase	Trips generated	% increase	Trips generated	% increase	Trips generated	% increase	Trips generated	% increase
NORTH (via Julia Tuttle Causeway & Alton Rd)	30%	4,275	39	0.9%	59	1.4%	78	1.8%	98	2.3%	117	2.7%
SOUTH (via McArthur Causeway & Alton Rd)	27%	2,745	35	1.3%	53	1.9%	70	2.6%	88	3.2%	106	3.9%
EAST (via Collins Ave & Washington Ave)	33%	3,434	43	1.3%	65	1.9%	86	2.5%	108	3.1%	129	3.8%
WEST (via Dade Blvd/Venetian Causeway)	10%	459	13	2.8%	20	4.3%	26	5.7%	33	7.1%	39	8.5%
Total Trips (vehicles per hour)			**130**		**196**		**261**		**326**		**391**	

Source: AECOM.

INTERSECTION PERFORMANCE ASSESSMENT

- Level of Service (LOS): Criteria used to measure performance of intersections and roadway segments. <u>LOS does not reflect safety of the intersection</u>
- LOS is determined based on estimated average delay to motorists

LEVEL OF SERVICE	AVERAGE DELAY (Seconds/Vehicle)
A	≤ 10
B	> 10-20
C	> 20-35
D	> 35-55
E	> 55-80
F	> 80

- Acceptable LOS: A, B, C or D. The Transportation Element of the City's Comprehensive Plan establishes LOS D as the target LOS.

Source: AECOM.

LEVEL OF SERVICE ANALYSIS RESULTS

INTERSECTIONS	2014 Traffic (w/o Allton Rd. Improvements)		2017 w/ 140,000 Attended Consumer Show **		2017 w/ 140,000 Attended Consumer Show AND Hotel **									
					400 ROOMS		600 ROOMS		800 ROOMS		1000 ROOMS		1200 ROOMS	
	LOS	DELAY (Sec)	LOS	DELAY (Sec)	LOS	DELAY (Sec)	LOS	DELAY (Sec)	LOS	DELAY (Sec)	LOS	DELAY (Sec)	LOS	DELAY (Sec)
Alton Rd & 17th Street *	D	53.6	E	65.7	E	+0.6	E	+1.1	E	+1.1	E	+2.0	E	+2.5
Alton Rd & N. Michigan Ave *	B	14.8	C	33.8	C	+0.8	D	+1.3	D	+1.9	D	+2.5	D	+3.2
17th Street & Meridian Ave*	D	38.5	E	65.9	E	+1.5	E	+3.2	E	+3.4	E	+4.6	E	+5.1
Alton Rd & 5th Street *	C	30.4	D	46.2	D	+0.9	D	+1.4	D	+2.0	D	+2.4	D	+2.9
Alton Rd & Dade Blvd	D		C		C		C		C		C		C	
Dade Blvd & N. Michigan Ave	B		C		C		C		C		C		C	
17th Street & Michigan Ave	A		A		A		A		A		A		A	
17th Street & Convention Center Dr*	B		B		C		C		C		C		C	
17th Street & Washington Ave	C		C		C		C		C		C		C	
Dade Blvd & Washington Ave	B		C		C		C		C		C		C	
Dade Blvd & Convention Center Dr*	B		C		C		C		C		C		C	
Dade Blvd & Meridian Ave*	C		C		C		C		C		C		C	
Alton Rd & Chase Ave	A		B		B		B		B		B		B	

Source: AECOM.

* Indicates one or more movements are expected to operate at LOS of 'E' or 'F'

** Assumes signal timing changes/improvements and programmed FDOT improvements for Alton Rd and Michigan Ave

GENERAL RECOMMENDATIONS

INTERSECTION	NETWORK RECOMMENDATIONS
Along the Study Corridors	• Optimize Network Offset, Splits, Cycle Lengths

Broader (non-hotel related) improvements to be considered:

Transit	• Bus Rapid Transit (BRT) • Urban Enhanced Route (UER)
Alton Rd & 17th Street	• Convert NB Shared Through/Right To Exclusive Right Turn Lane • Add Exclusive SB Right Turn Lane • Add An Additional Left Turn Lane To Provide SB Dual Left Turn Lanes
Alton Rd & N. Michigan Ave	• Improve WB Right Turn Radius (Free Flow Lane) • Implementation of SB Double Left Turn (FDOT Project)

Source: AECOM.

LOS WITH IMPROVEMENTS

INTERSECTIONS	2014 Traffic (w/o Allton Rd. Improvements)		2017 w/ 140,000 Attended Consumer Show **		2017 w/ 140,000 Attended Consumer Show AND Hotel **		2017 w/ 140,000 Attended Consumer Show AND Hotel **	
					1200 ROOMS		1200 ROOMS + IMPROVEMENTS	
		DELAY (Sec)	LOS	DELAY (Sec)	LOS	DELAY (Sec)	LOS	DELAY (Sec)
Alton Rd & 17th Street *	D	53.6	E	65.7	E	+2.5	D	-16.0
Alton Rd & N. Michigan Ave *	B	14.8	C	33.8	D	+3.2	C	-13.8
17th Street & Meridian Ave*	D	38.5	E	65.9	E	+5.1	D	-20.9
Alton Rd & 5th Street *	C	30.4	D	46.2	D	+2.9	D	-13.3
Alton Rd & Dade Blvd	D		C		C		C	
Dade Blvd & N. Michigan Ave	B		C		C		C	
17th Street & Michigan Ave	A		A		A		A	
17th Street & Convention Center Dr*	B		B		C		C	
17th Street & Washington Ave	C		C		C		C	
Dade Blvd & Washington Ave	B		C		C		C	
Dade Blvd & Convention Center Dr*	B		C		C		C	
Dade Blvd & Meridian Ave*	C		C		C		C	
Alton Rd & Chase Ave	A		B		B		B	

Source: AECOM.

* Indicates one or more movements are expected to operate at LOS of 'E' or 'F'

** Assumes signal timing changes/improvements and programmed FDOT improvements for Alton Rd and Michigan Ave

STRATEGIES FOR TRAFFIC/PARKING MANAGEMENT

- Off-Site Parking With Shuttle Service
- Parking Management (Variable Parking Rates, Dynamic Parking Reservation, Real-Time Parking Information, Dynamic Parking Capacity)
- Dynamic Lane Assignment (Electronic Signs)
- DMS Signs (with Travel Information) at Critical Locations
- Mini-Traffic Management Center (City Hall/Convention Center)
- Travel Information Kiosk at Hotel/Predictive Traveler Information
- Real-time Traffic Monitoring and Signal Timing Optimization
- Adaptive Signal Control System
- Flexible Work Schedule, Telework, Carpooling

Source: AECOM.

IMPACTS FROM MBCC EVENT MIX

Qualitative assessment of traffic impacts related to consumer shows and conventions:

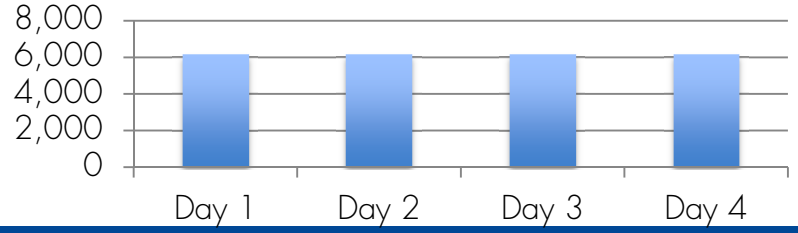
- Consumer Shows
  - Open to general public
  - Most of the attendees are locals who drive to the MBCC and park in the area
  - Parking impacts every day of event
- High-End Trade Shows and Conventions
  - Events open only by invitation
  - Attendees arrive by bus, rental car or taxi
  - Highest traffic impacts on Event Start and Event End days
  - Lesser traffic impact on interim days
- In 2014 MBCC Booked
  - 55 consumer/trade shows
  - 5 conventions

Source: AECOM.

EVENT MIX IMPACTS

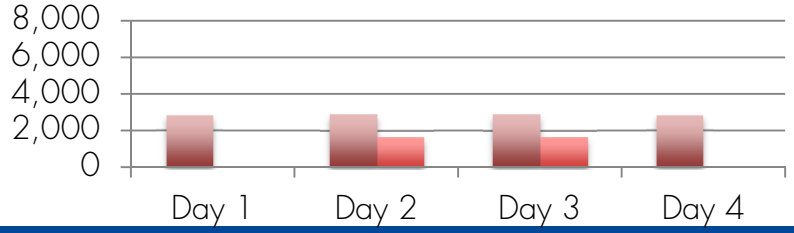
Consumer Shows

- 547,500 attendees over 89 days
- 6,152 per day on average
- Assumptions
  - 2 Persons per Car
- Average Daily Trips: 6,152 Vehicles
  (Counting Daily Entering and Exiting Traffic Vehicles as 2 Trips to the Transportation Network)
- **24,608 Vehicles Over 4 Days**



Conventions

- 24,185 attendees over 5 events
- 4,800 average attendees
- Assumptions For Day 1 and Day 4
  - 15% Multi-Modal Reduction
  - 1.4 Persons Per Vehicle
- Assumptions for Day 2 and Day 3[1]
  - 40% Internal Capture Reduction
  - 15% Multi-Modal Reduction
  - 1.4 Persons Per Vehicle
- Assumptions for Day 2 and Day 3[2]
  - 50% Transit and Shuttle Service Reduction
  - 25% Pedestrian Reduction
- Average Daily Trips: 2,913[1]/2,247[2] Vehicles
  (Counting Daily Entering and Exiting Vehicles as 2 Trips to the Transportation Network)
- **10,452[1]/6,656[2] Vehicles over 4 days**
  - Net Daily Reduction: 3,239[1]/3,905[2] Vehicles



Source: AECOM.

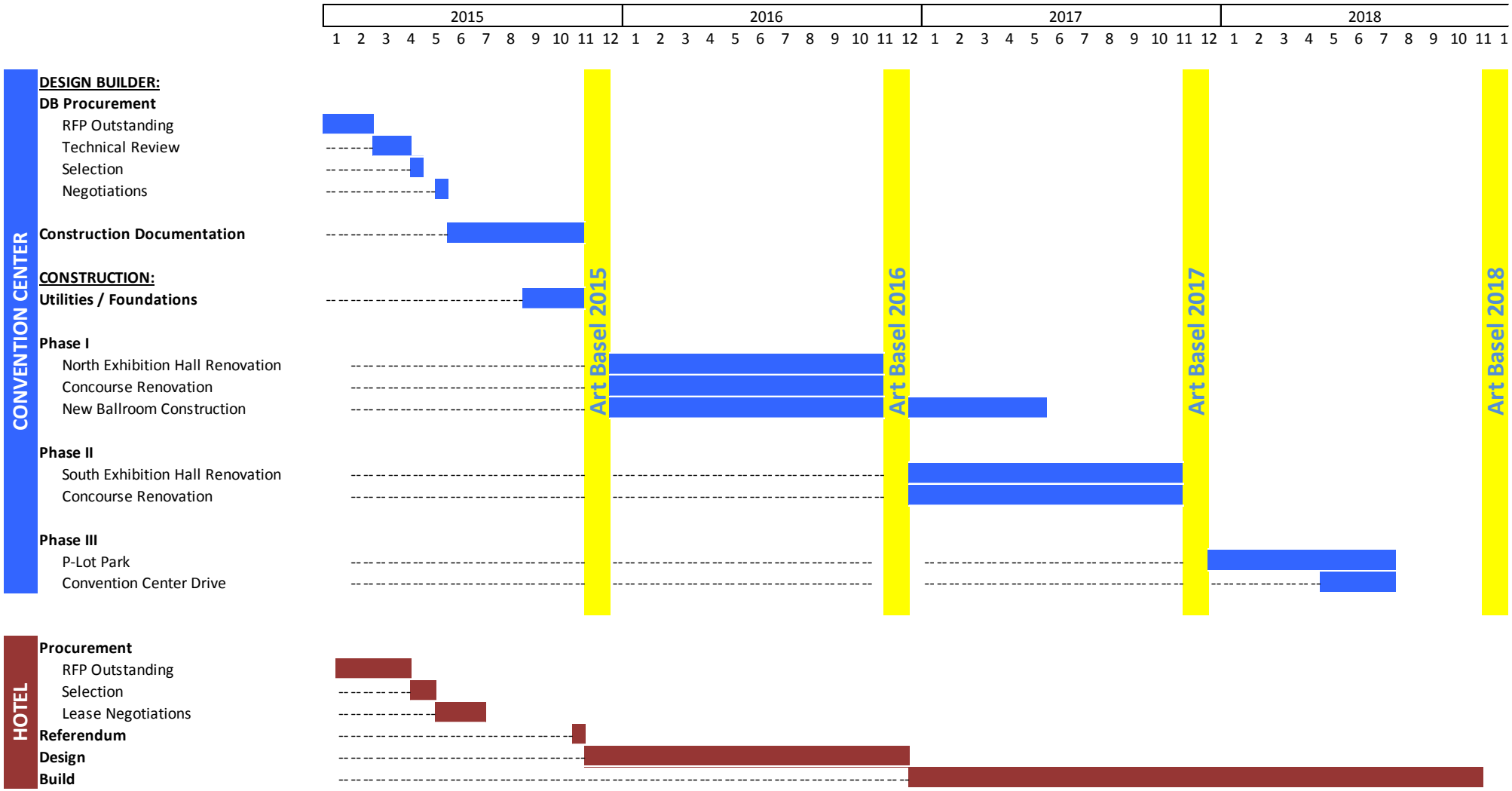
HOTEL REVENUE IMPACT ON CITY

Assumptions	Per ORN	Total Rev.
Rooms	800	
Occupancy	75%	
Rooms/ADR	$285	$62.4m
F&B	150	32.9m
Other	5	1.1m
	$440	$96.4m

City Revenues	Annual	Over 30 Years Total	Over 30 Years NPV@ 5%
Rent (4.5% of gross)	$4.3m	$168m	$80m
Resort Tax - Hotel (4%)	2.5m	$97m	$46m
Resort Tax - F&B (2%)	0.7m	$25m	$12m
Property Tax (CRA)	4.0m	$155m	$74m
	$11.5m	$445m	$211m

Source: SAG.

PROJECT SCHEDULE



REQUESTED ACTION

- Direct City staff to prepare a Request for Proposal and a Lease for a Headquarter Hotel Located within the Convention Center Campus/District.
  - Maximum of [ ] rooms

- Approve an Amendment to the Professional Services Agreement between the City of Miami Beach and Strategic Advisory Group, for Consulting Services relative to the Convention Center Headquarter Hotel Request for Proposal (RFP) and Lease in an amount not to exceed $166,375, including all reimbursable expenses.

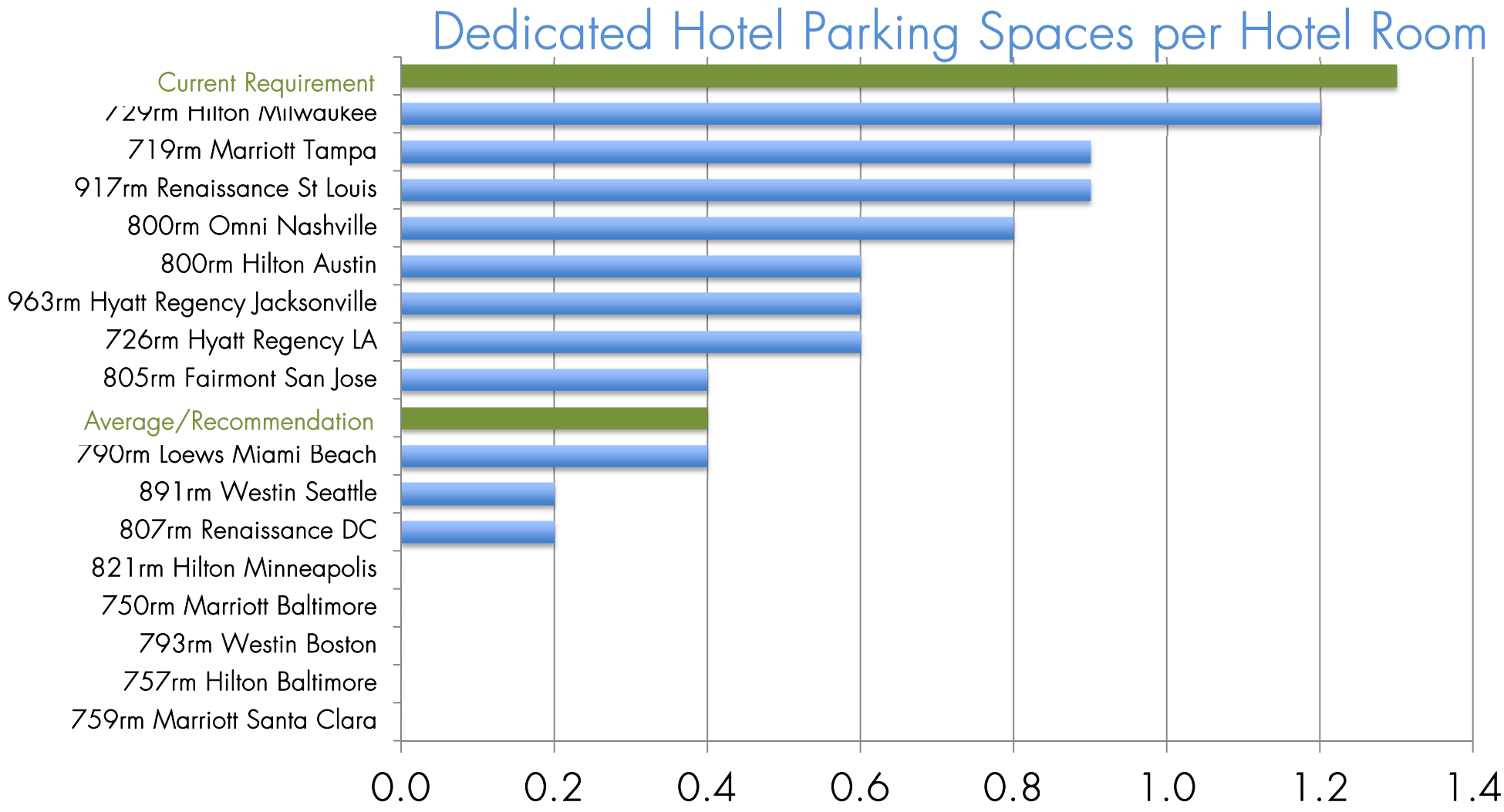
Height and Parking

BACKGROUND

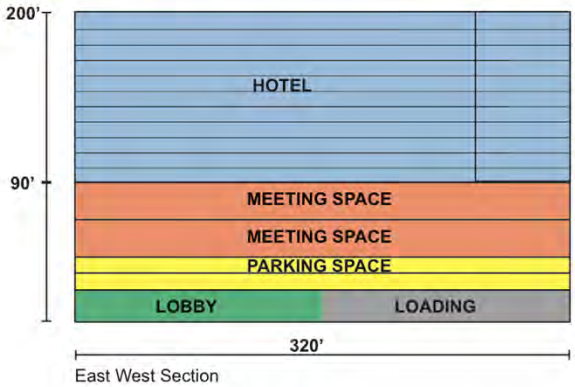
- Goal: To provide guidance related to maximum hotel height and minimum hotel parking requirement

- Land Use Committee and Planning Board Recommendations:
  - Minimum parking of 0.4 spaces per room for all hotel components
  - Maximum height of 300 feet

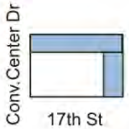
PARKING RATIO COMPARISON

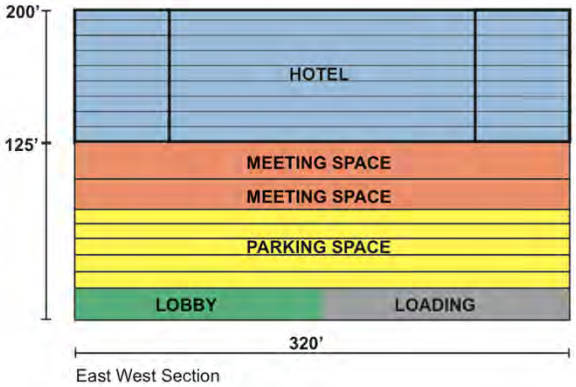


HOTEL HEIGHT



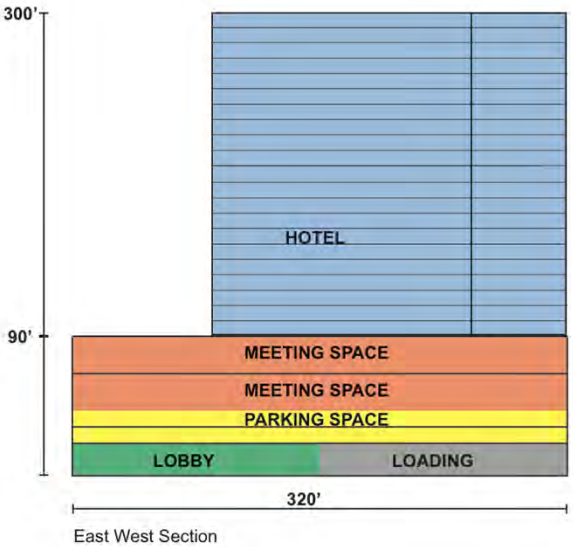
Hotel Option A
320 Parking Spaces
200' tall



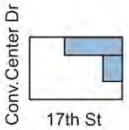


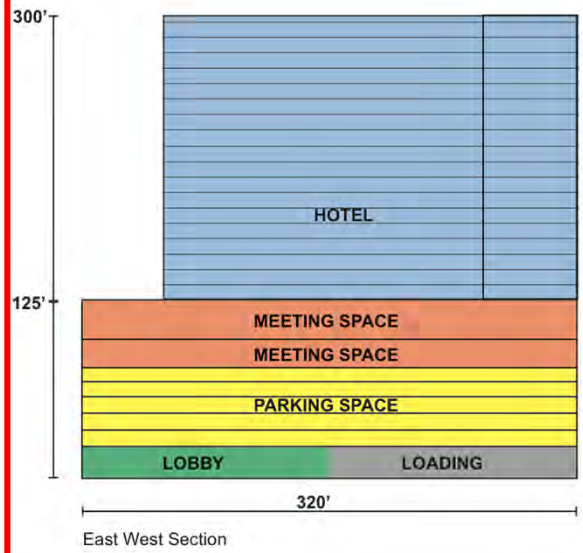
Hotel Option B
1100 Parking Spaces
200' tall
70' tall Hotel

Preferred Option



Hotel Option C
320 Parking Spaces
300' tall
210' tall Hotel





Hotel Option D
1100 Parking Spaces
300' tall
175' tall Hotel

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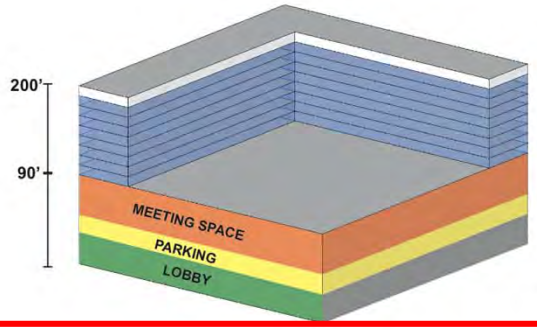
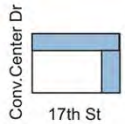
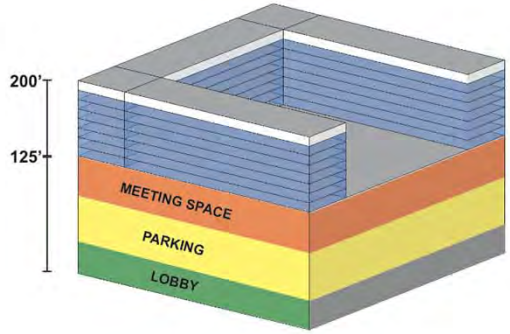
HOTEL HEIGHT



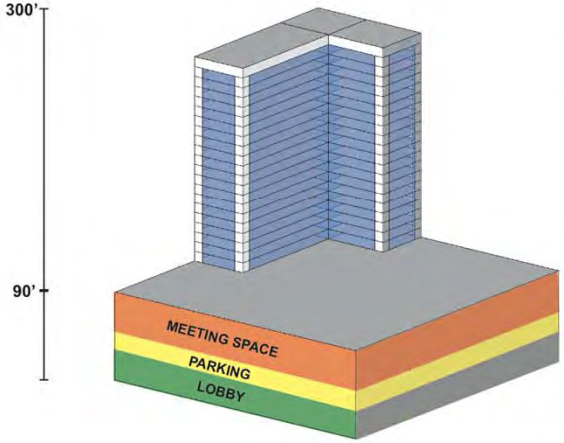
Hotel Option A
320 Parking Spaces
200' tall



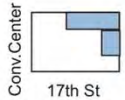


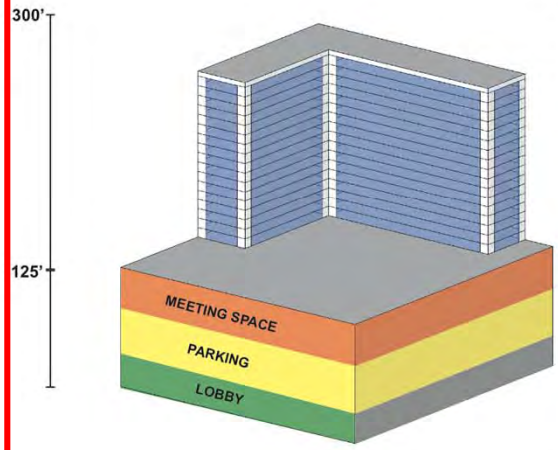
Hotel Option B
1100 Parking Spaces
200' tall
75' tall Hotel

Preferred Option

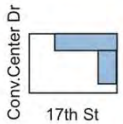


Hotel Option C
320 Parking Spaces
300' tall
210' tall Hotel





Hotel Option D
1100 Parking Spaces
300' tall
175' tall Hotel



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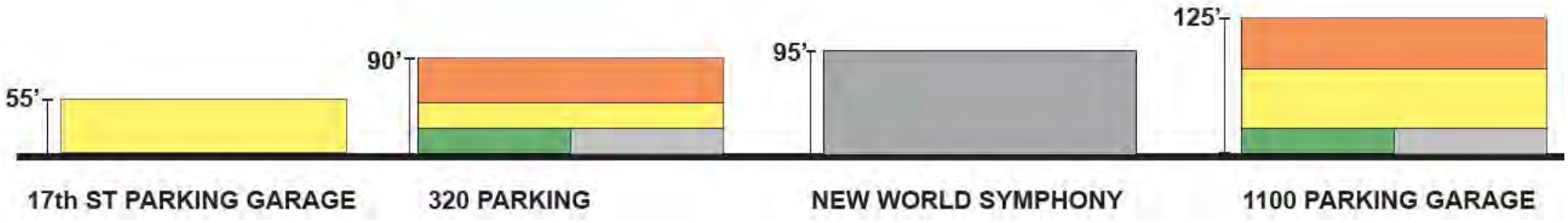
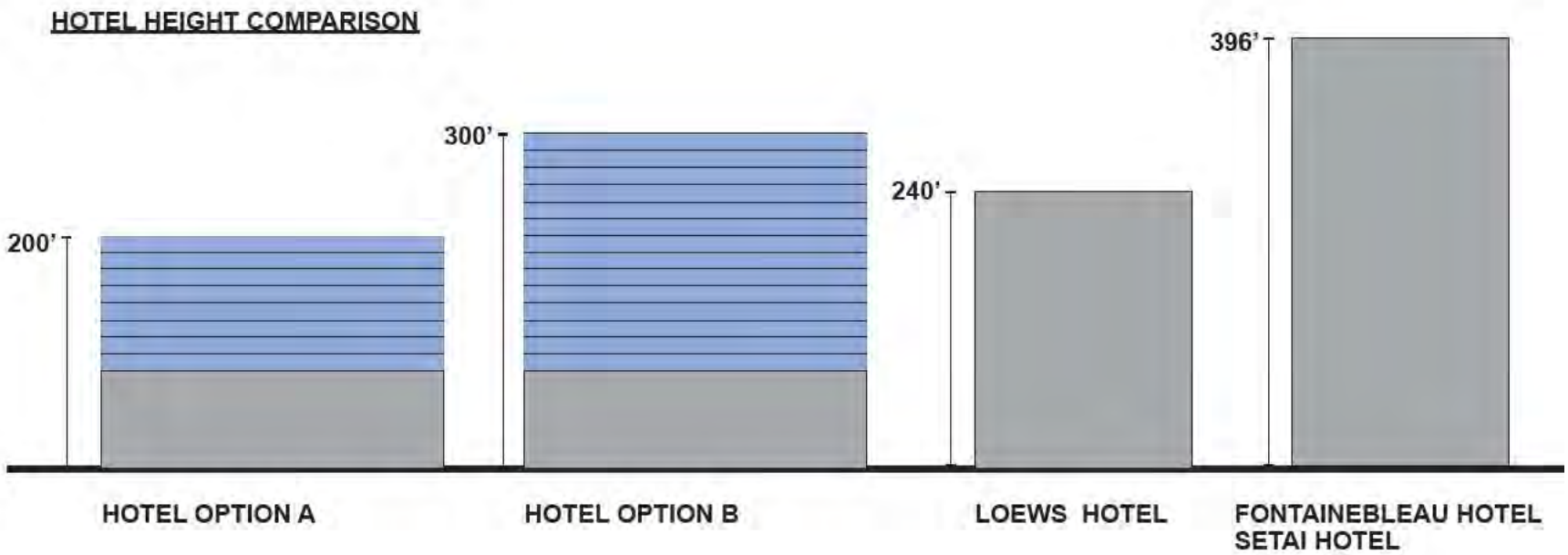
FENTRESS

HEIGHT COMPARISON





HOTEL MASSING – OPTION C

REQUESTED ACTION

- Approve the Land Use Committee and Planning Board Recommendations:
  - Minimum hotel parking of 0.4 spaces per room for all hotel components
  - Maximum hotel height of 300 feet