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OFFICE OF THE CITY MANAGER

LTC # 366-2009

LETTER TO COMMISSION FICE

To:

Mayor Matti Herrera Bower and Members of the City Commission

From:

Jorge M. Gonzalez, City Manager

Date:

December 29, 2009

Subject: Convention Center Expansion and Enhancement Steering Committee

This Letter to Commission (LTC) is to advise you that I have created the Convention Center Expansion and Enhancement Steering Committee. As you may know, I convened a "Stakeholder" group over two years ago to provide input relating to the proposed expansion of the Miami Beach Convention Center. This was useful as we tried to coalesce agreement on the priorities for improvements to the facility, especially as the 2004 General Obligation Bonds (GOB) approved countywide are available for this purpose (\$55 million). This Stakeholder group has included the participation of the County (County Manager's Office and County's Capital Improvements Office), the Convention Center Advisory Board, the Miami Beach Visitors and Convention Authority, the Greater Miami Convention and Visitors Bureau, the Greater Miami and the Beaches Hotel Association, the convention center managers (SMG and now Global Spectrum) and representatives from my office and the Office of Tourism and Cultural Development.

Following a series of meetings, the Stakeholders recommended the updating of the facility analysis previously conducted by Convention Sports and Leisure (CSL), to include trend analysis and market research to assist in identifying what improvements would be essential to make our facility competitive in both the short term and the long run. As you may recall, much of the initial discussion centered on whether the improvements funded by the GOB funds should consist only of the creation of a large multipurpose/ballroom. The updated CSL study recommended a much more expansive list of suggested enhancements that take into consideration our competitive peer group, as well as the unique characteristics of our destination (weather, amenities, proximity to a convention center hotel, etc.). It was also recommended that an architectural firm be selected to develop a master plan that incorporates the results of the updated CSL analysis and Stakeholder input. Following the issuance of RFQ 31-07/08, the City Commission adopted Resolution No. 2008-26883, which authorized the City Administration to enter into a contract with Arquitectonica to develop a campus master plan for the Miami Beach Convention Center and surrounding area. Following the execution of the Interlocal Agreement with Miami-Dade County for the General Obligation Bond (GOB) Funds in late fall, which funds the master plan and expansion or enhancement of the facility, the City executed the agreement with Arquitectonica; they have begun preliminary due diligence, and are ready to meet with the City and stakeholders for input.

The master plan is intended to consider possibilities to make the Miami Beach Convention Center facility competitive in today's convention and meeting business climate. This would involve looking at existing and potential site amenities, physical renovations to the interior and exterior, expansion of exhibit space (to include necessary multi-purpose/ballroom space), technology upgrades, parking, and other aspects. This also includes the development of the anticipated costs of these improvements, as they are expected to exceed the \$55 million available in GOB funds. When completed, the master plan will have been through the Community Design Workshop process, and we will be provided with a Basis of Design Report with drawings at up to 30%. In discussions with the Stakeholders and the County, it is understood that the City and County, supported by the Stakeholders, will discuss additional costs and funding sources once the master plan is completed.

I created the Convention Center Expansion and Enhancement Steering Committee to provide the City and Arquitectonica with recommendations for any enhancements and expansion of the convention center, as well as to guide the master planning process. I have appointed the following individuals to the Steering Committee:

- Scott Berman, Principal and U.S. Industry Leader, Hospitality & Leisure, for PricewaterhouseCoopers
- Stuart Blumberg, Convention Center Advisory Board Chair and Co-Chair of the Task Force
- Michael Breslow, President, Jewelry International Showcase
- Marco Giberti, President, Reed Exhibitions, Latin America (Gaston Isoldi, Director of Business Development Alternate)
- Jorge M. Gonzalez, City Manager and Co-Chair of the Task Force
- Saul Gross, Resident/business owner
- Elsie Howard, Miami Beach Visitor and Convention Authority
- Wendy Kallergis, Greater Miami and the Beaches Hotel Association
- Alex Munoz, Assistant County Manager (Matthew Pinzer, Special Assistant Alternate)
- Tom Mobley, Global Spectrum
- Cathy Rick-Joule, Southern Regional Manager, National Marine Manufacturers Association
- William Talbert, Greater Miami Convention and Visitors Bureau
- Robert Wennett, Resident and Member of the Lincoln Road Merchants Association

The following staff will provide support to the Steering Committee:

- Hilda M. Fernandez, Assistant City Manager
- Jorge Gomez, Assistant City Manager
- Max Sklar, Tourism and Cultural Development Director
- Bob Balsam, General Manager, Miami Beach Convention Center
- Charlie Carreno, Capital Improvement Projects Director

I look forward to working with this group in developing recommendations to enhance the competitiveness of our facility both short and long term. Please let me know if you have any questions or require additional information.

JMG/HMF/MAS

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