



MIAMIBEACH CONVENTIONCENTER EXPANSION AND ENHANCEMENT



MIAMIBEACH

CONVENTION CENTER

- MBCC originally built in 1957 (108,000 sq ft)
- An additional 130,500 sq ft of exhibit space was added in 1968
- 1974 additional support facility constructed
- 1986 MBCC doubled in size
 - Opened in 1989
 - 1.1 million sq ft with 502,000 sq ft of exhibit space
 - \$92 million renovation
 - Master Plan for the MBCC Complex area was developed

EXISTING SPACE

	CURRENT
Exhibit Halls	502,098 sf 4 Halls
Meeting Rooms	125,899 sf
Ballrooms (dedicated)	0
Pre-function/ Lobby	163,327 sf
Parking (2 lots)	1,040 spaces

Current Space = 1.16 million sf

MBCCRANKING (sf)

RANKING IN 1989 = 4

Convention Center	Prime Exhibit Space (sf)
27.* America's Center	502,000
28.* AmericasMart Atlanta	502,000
29.* Miami Beach Convention Center	502,000
30. Atlantic City Convention Center	500,000



RANKING IN 2009 = 29

CURRENT RANKING = 30

2010 Directory of the World's Top Convention Centers Trade Show Executive

SECTION II: The World's Top Convention Centers by Size

MILLIONAIRE'S CLUB
CONVENTION CENTERS WITH 1,000,000 SF OR MORE OF PRIME EXHIBIT SPACE

Convention Center	Prime Exhibit Space (sf)
1. McCormick Place	2,600,000
2. Orange County Convention Center	2,100,000
3. Las Vegas Convention Center	1,984,755
4. Georgia World Congress Center	1,400,000
5. Kentucky Exposition Center	1,400,000
6. New Orleans Ernest N. Morial Convention Center	1,100,000
7. Reliant Park	1,100,000
8. International Exposition Center (I-X Center)	1,056,213
9. Sands Expo & Convention Center/The Venetian Resort Hotel Casino	1,050,000
10. Dallas Convention Center	1,040,600
11. Mandalay Bay Resort & Casino	1,018,942

TRADE SHOW EXECUTIVE

CONVENTION CENTERS WITH 350,000 SF OR MORE OF PRIME EXHIBIT SPACE

Convention Center	Prime Exhibit Space (sf)
27.* America's Center	502,000
28.* AmericasMart Atlanta	502,000
29.* Miami Beach Convention Center	502,000
30. Atlantic City Convention Center	500,000
31. Minneapolis Convention Center	475,000
32.* Henry B. Gonzalez Convention Center	440,000
33.* Pennsylvania Convention Center	440,000
34. Greater Columbus Convention Center	410,000
35. Expo Square	400,000
36. Kansas City Convention & Entertainment Facilities	388,800
37. Reno-Sparks Convention Center	381,000
38. Cleveland Convention Center	375,000
39. Atlanta Exposition Center	366,000
40.* Qwest Field and Event Center	350,000
41.* World Market Center Las Vegas	350,000

www.TradeShowExecutive.com Directory of the World's Top Convention Centers Trade Show Executive 69

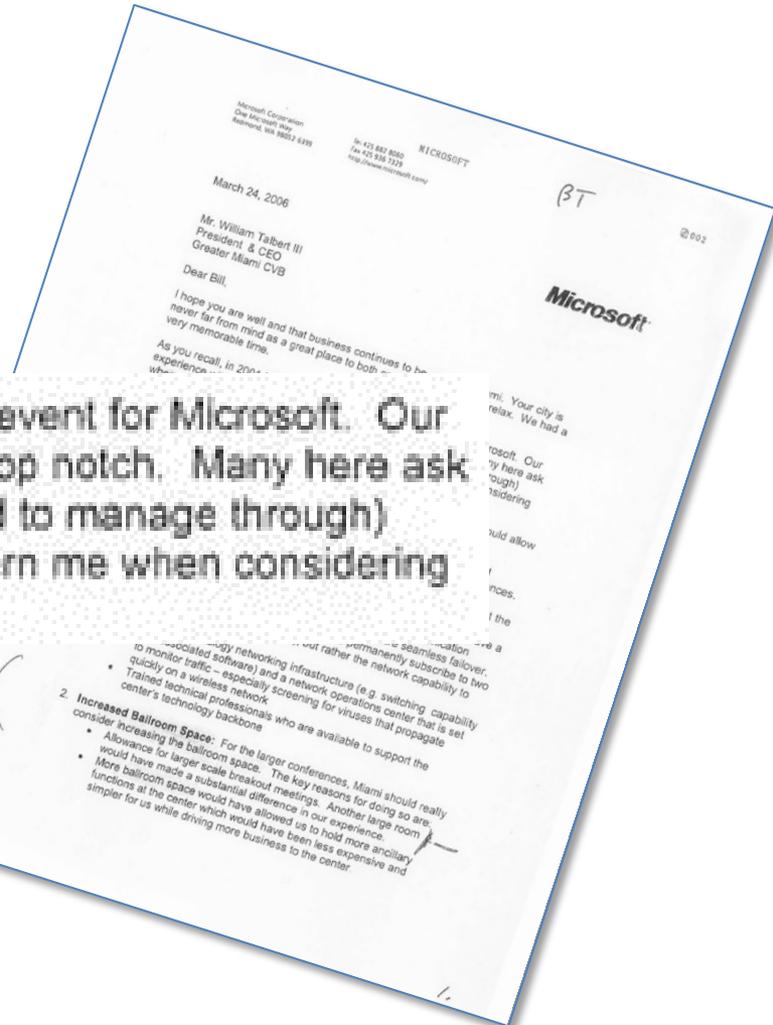
CORPORATE INTEREST

As you recall, in 2001 Miami hosted a hugely successful event for Microsoft. Our experience with the city and the people were absolutely top notch. Many here ask when we will return. The challenge is that I saw (and had to manage through) various shortcomings at the convention center that concern me when considering future bookings.

Best Regards,



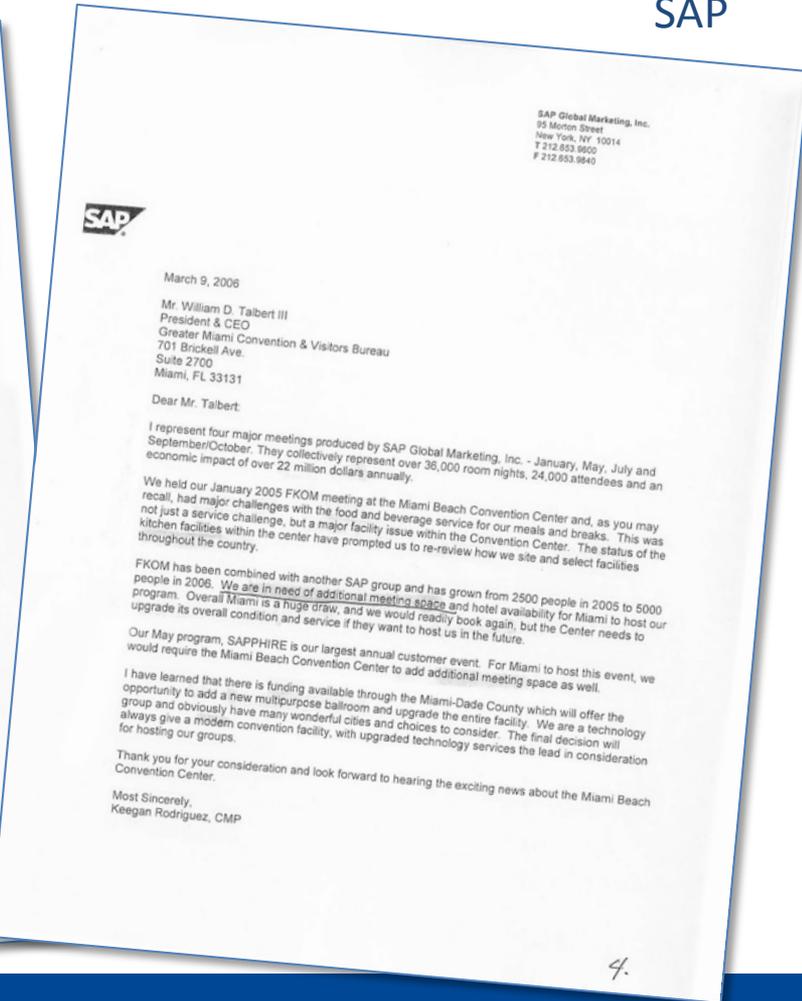
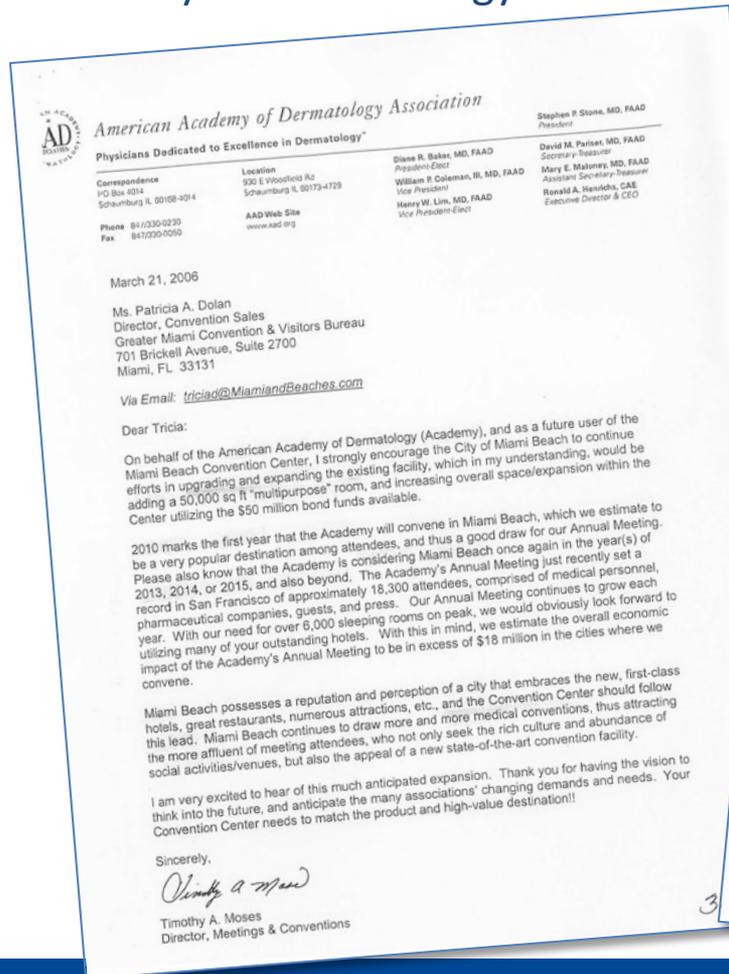
Jeff Singaas
General Manager, Events & MS Studios
Microsoft Corporation



CORPORATE INTEREST

American Academy of Dermatology

SAP



CORPORATE INTEREST

IBM:

“We went with Tampa. We loved that we would “take over” the city so our group would still get that intimate feel they are used to but yet we would have enough space to accommodate everything. We felt a little disconnected in Miami with our room block in 2 different areas.”

Cisco - Technology group:

“They wanted an International location, the venue is a great fit in terms of size for what they need, it is a strong hotel package and a good walking city with the venue close to hotels and restaurants.”

American College of Gastroenterology:

“Miami is just a little too small for our annual meeting. We are hoping that your expansion will go through. We are keeping our eye on it. Provided a bigger convention center is built, we would be interested in 2022 for our meeting.”

Novo Nordisk Inc.:

“I know it’s disappointing and must feel like we are always choosing Orlando. As I’m sure I must have mentioned in the past...Miami falls short when it comes to convention space and new, modern, large hotels. We love the Intercontinental, but you need to invest in another big box. Miami might be the city I receive most requests for, but unfortunately, hotel options are limited, particularly for larger meetings. We love the city but can’t seem to book it for the big ones. “

CORPORATE INTEREST

American Academy of Otolaryngology:

“Miami was seriously considered as a host site for the 2014 Annual Meeting & OTO EXPO, but ultimately we selected another city. I’ve outlined some of the factors considered in our decision below and would be happy to discuss these with you directly as well.

Convention Center: The condition of the convention center and décor is dated and did not meet the same threshold as other bidding cities.

The meeting space allowed us little flexibility based on our overall program requirements. Location of convention center was not situated close to headquarter hotel. This factor limits our ability to host events from between facilities.

Hotels: We were very impressed with the overall hotel package on the beaches and in the downtown area.

Traffic: The traffic from Miami Beach to the downtown area was a major concern for us as well. During the site we travelled outside of “rush hour” and experienced delays.”

CORPORATE INTEREST

	Attendees	Economic Impact
Amer College of Medical Genetics & Genomics	1,200	\$ 12,000,000
Anheuser Busch Inc	6,000	\$ 6,000,000
Best Western International	3,000	\$ 3,000,000
Heart Rhythm Society	8,500	\$ 8,500,000
Publicis CLT Meetings	5,000	\$ 5,000,000
Society of Critical Care Medicine	5,000	\$ 6,376,550
Amer Institute of Architects Annual Convention	12,000	\$ 13,000,000
SP Richards Co	3,600	\$ 6,018,850
Total	44,300	\$ 59,895,400

CORPORATE INTEREST

	Attendees	Economic Impact
Amer Society for Radiation Oncology (ASRO)	12,000	\$15,604,360
Goldwell/Color Zoom Event 2011	3,000	\$ 5,957,000
American Society of Periodontology	5,702	\$ 5,278,140
American Fence Association Inc	4,000	\$ 4,790,940
Kenes International/Pain Congress	1,800	\$ 2,723,200
American Association of Neurological Surgeons	3,170	\$ 6,376,550
Society of Nuclear Medicine	6,500	\$13,000,000
	Total	36,172 \$53,730,190

CORPORATE INTEREST

American Academy of Dermatology	20,000	\$20,000,000
Microsoft Corporation *	60,000	\$80,000,000
Direct Marketing Association	10,000	\$12,000,000
American Assn. of Orthodontists	15,000	\$20,000,000
Risk & Insurance Management Associat	12,000	\$18,000,000
U.S. Green Buildings Councils	3,500	\$4,000,000
True Value	20,000	\$15,000,000
CardioVascular Research Foundation (1	12,000	\$19,000,000
Total	152,500	\$188,000,000

CORPORATE INTEREST

- 23 Potential Groups
- 232,972 Potential Attendance
- \$301,625,590 Potential Economic Impact

This ONLY represents a sample of the potential new business.

CONVENTION CENTER

EXPANSION/ENHANCEMENT HISTORY:

- Master plan intended to
 - Make the facility competitive in today's convention and meeting business climate – and well into the future
 - Provide amenities needed by meeting and convention planners

CONVENTION CENTER

EXPANSION/ENHANCEMENT HISTORY:

- Master plan intended to
 - Look 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, etc.
 - Improve connection with local assets

CONVENTION CENTER

EXPANSION/ENHANCEMENT HISTORY:

- Master plan intended to
 - Be research/data-driven
 - Current industry trends
 - Competitive/comparable facility analysis
 - Existing and projected utilization
 - Market demand analysis

MIAMI-DADE COUNTY

GOBOND

- Second Amendment to the 1996 Interlocal Agreement (2004) shifted Convention Development Tax (CDT) funding designated for the Miami Beach Convention Center and replaced it with funding from Miami-Dade County General Obligation Bond Funds (if approved)
- November 2, 2004 Building Better Communities Bond Program (BBC GOB) was approved by the voters of Miami-Dade County

MIAMI-DADE COUNTY GOBOND

- Expansion/Enhancement of the Miami Beach Convention Center was approved as an eligible BBC GOB Project
- \$55 million in funding is available for the MBCC



CONVENTION CENTER

CONVENTION, SPORTS & LEISURE (CSL)

- Founded in 1988
- Leading advisory and planning firm
- Specializes in providing consulting services to the convention, sport, entertainment and visitor industries; provides focused research and expertise in these industries.
- Services include
 - new/expanded event facility feasibility studies
 - organizational reviews/performance enhancement studies
 - destination master planning
 - industry benchmarking
 - negotiation assistance
 - related services

CLIENTS (select sample):

- *New Branson Convention Center, MO*
- *Las Vegas Convention Center, NV*
- *H. Gonzalez Convention Center, San Antonio*
- *Jacob Javits Convention Center, NYC*
- *Washington D.C. Convention Center*
- *Broward County Convention Center, FL*
- *Hawaii Convention Center*

CONVENTION CENTER

2009 CSL RECOMMENDATIONS

- Upgrades to existing MBCC
- Target up to 100,000 square feet of added sellable space
 - Multi-use/Ballroom Space needed
 - Additional Meeting Space needed
- Unique Space Additions
 - Incorporate outdoor function space and landscaped plazas

CONVENTION CENTER

2009 CSL RECOMMENDATIONS

- Development of a “Convention Center District”
 - Linkages to adjacent entertainment areas important/needed
- Adjacent or attached Convention Center Hotel needed/strongly recommended
 - Target a 1,000 room headquarter hotel
- Incorporate iconic architecture/sculpture

CONVENTION CENTER COMMISSION ACTIONS

- **Mar 9, 2011** – the City Commission adopted Reso No. 2011-27620, which endorsed and supported the concept of the Miami Beach Convention Center renovation and expansion, including the development of an adjacent Convention Center hotel
- **May 20-21, 2011** – Commission Retreat where Commission agreed to consider redevelopment of the broader Convention Center District, through an RFQ process

CONVENTION CENTER COMMISSION ACTIONS

- **Oct 19, 2011** - Reso No. 2011-27778 authorized to engage Strategic Advisory Group (SAG) to assist the Administration with the RFQ process
- **Jan 11, 2012** - Commission authorized the issuance of RFQ No. 22-11/12 for the Enhancement of the MBCC District, Including the Expansion of the MBCC and Headquarter Hotel
- **Dec 12, 2012** – Commission shortlisted Portman CMC and South Beach ACE to proceed to Phase II

CONVENTION CENTER

RESORT TAX

On August 2012, additional Penny Tax on Hotel Beds was approved by 70% margin in a City-Wide Referendum to fund Convention Center renovation and improvements

CONVENTION CENTER DISTRICT RFQ

PRIMARY OBJECTIVES OF THE RFQ

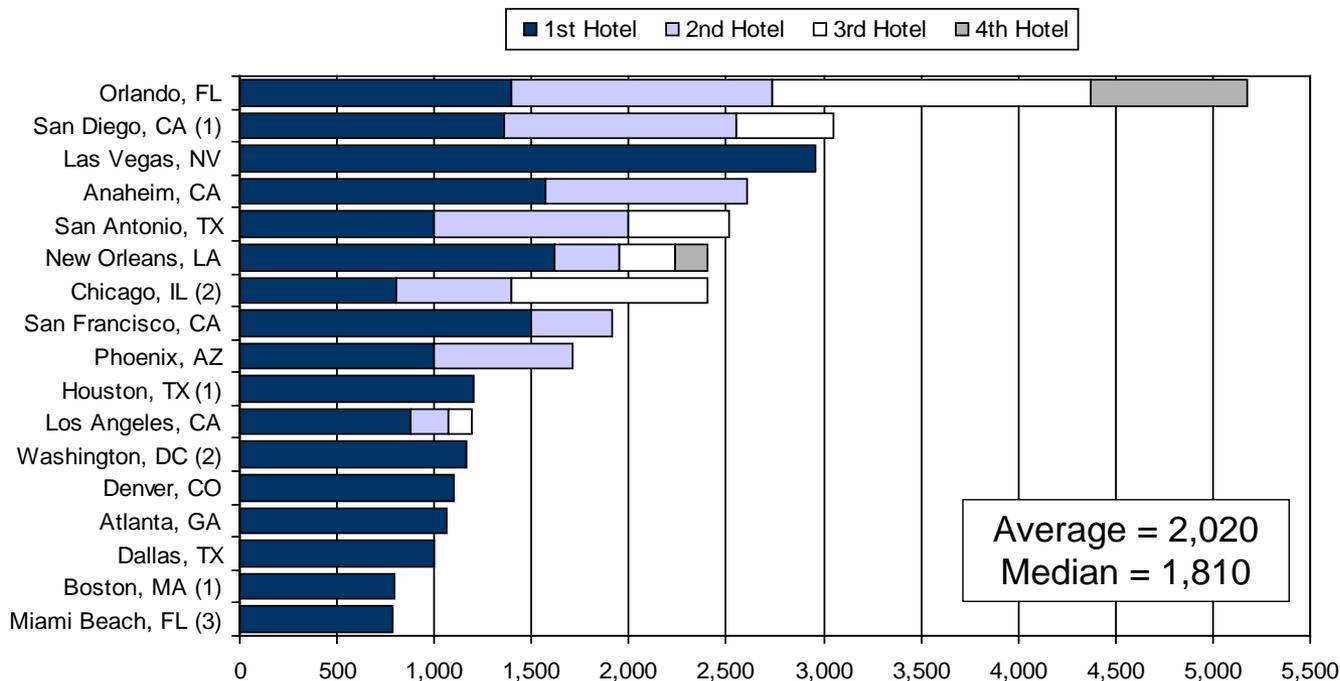
- Improve the Miami Beach Convention Center (MBCC)
- Redevelop the Surrounding Area
- Facilitate the ability of the MBCC to attract high impact conventions, meetings, and tradeshow in an increasingly competitive environment

CONVENTION CENTER DISTRICT RFQ

Minimum Requirements

- Convention Center Enhancements
 - Class "A" Renovation
 - Outdoor Function Space
 - Additional Meeting Space
- Headquarter Hotel
- Multi-Purpose / Ballroom (60,000 Net SF)

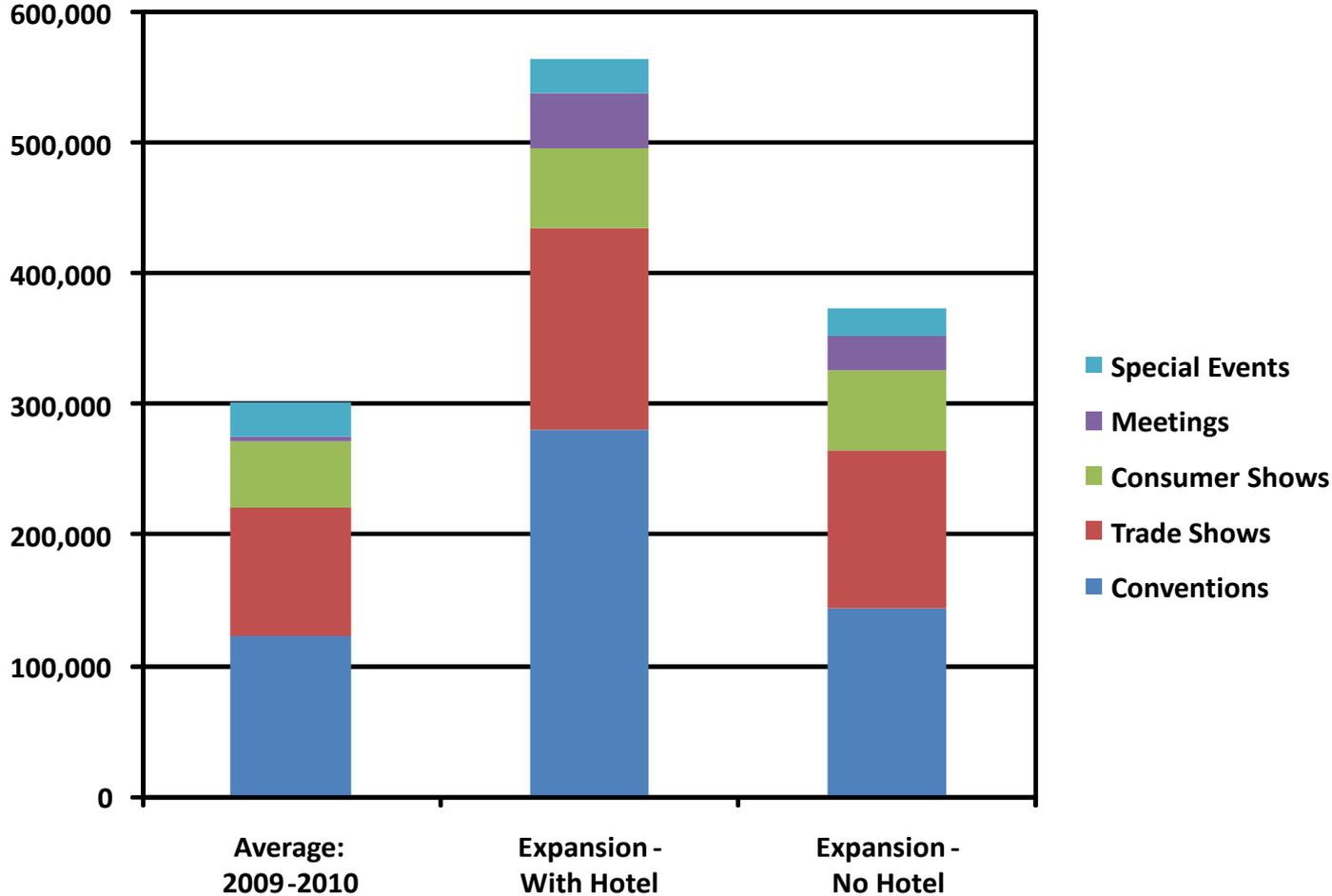
Comparison of Headquarter Hotel Rooms – Competitive and Comparable Markets



(1) Developing or planning additional headquarter hotel inventory.
 (2) Includes planned headquarter hotel inventory.
 (3) Loews Miami Beach Hotel is located approximately 0.7 miles from the MBCC, does not typically provide large room blocks and may not be considered a typical headquarter hotel by event planners.
 Source: CSL International, 2013

- The MBCC does not currently operate with an adjacent or attached headquarter hotel, unlike all other competitors. The Loews Miami Beach is not proximate to the MBCC, is not sized as large as a typical headquarter hotel, and does not typically provide large room blocks for MBCC events.
- Most competitive markets provide well in excess of 1,000 rooms attached and/or adjacent their convention center.
- The majority of meeting planners surveyed by CSL cite the need for a headquarter hotel, and the room count for such a property is typically defined as at least 1,000 rooms.

Estimated *Non-Local* Attendee Days

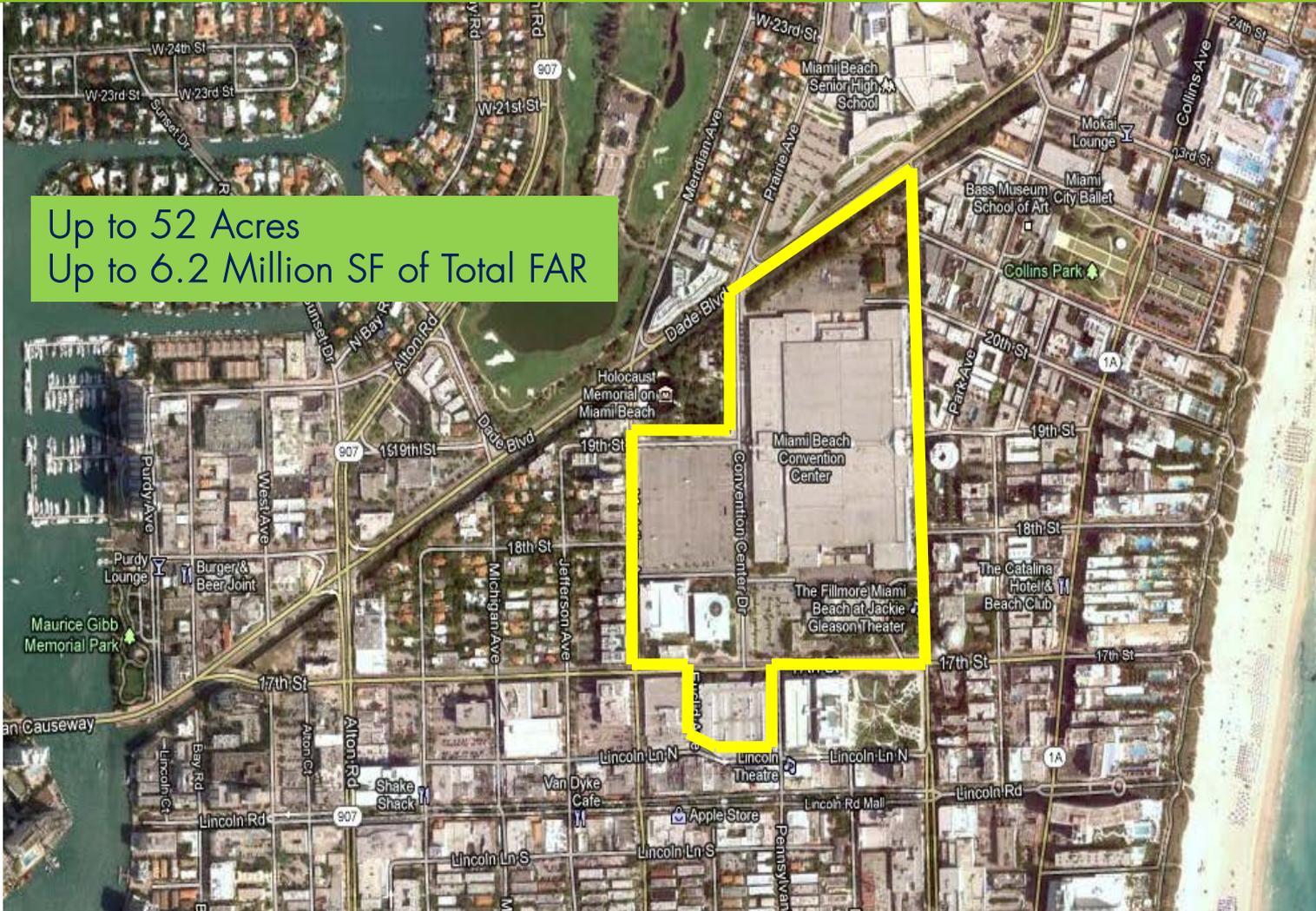


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Source: CSL International

CONVENTION CENTER DISTRICT TRFQ

Up to 52 Acres
Up to 6.2 Million SF of Total FAR



CONVENTION CENTER DISTRICT RFQ

RFQ Process

- **Phase 1 – Qualifications**

(Master Developer and Designer)

- Relevant Experience
- Financial Capability

- **Phase 2 – Proposal and Key Letter of Intent (LOI) Terms**

(For Shortlisted Proposers Only)

- Master Plan Preparation / Community Outreach
- Negotiations

CONVENTION CENTER