



**CONVENTION
HOTEL
PLANNING**
APRIL 2024





Objectives

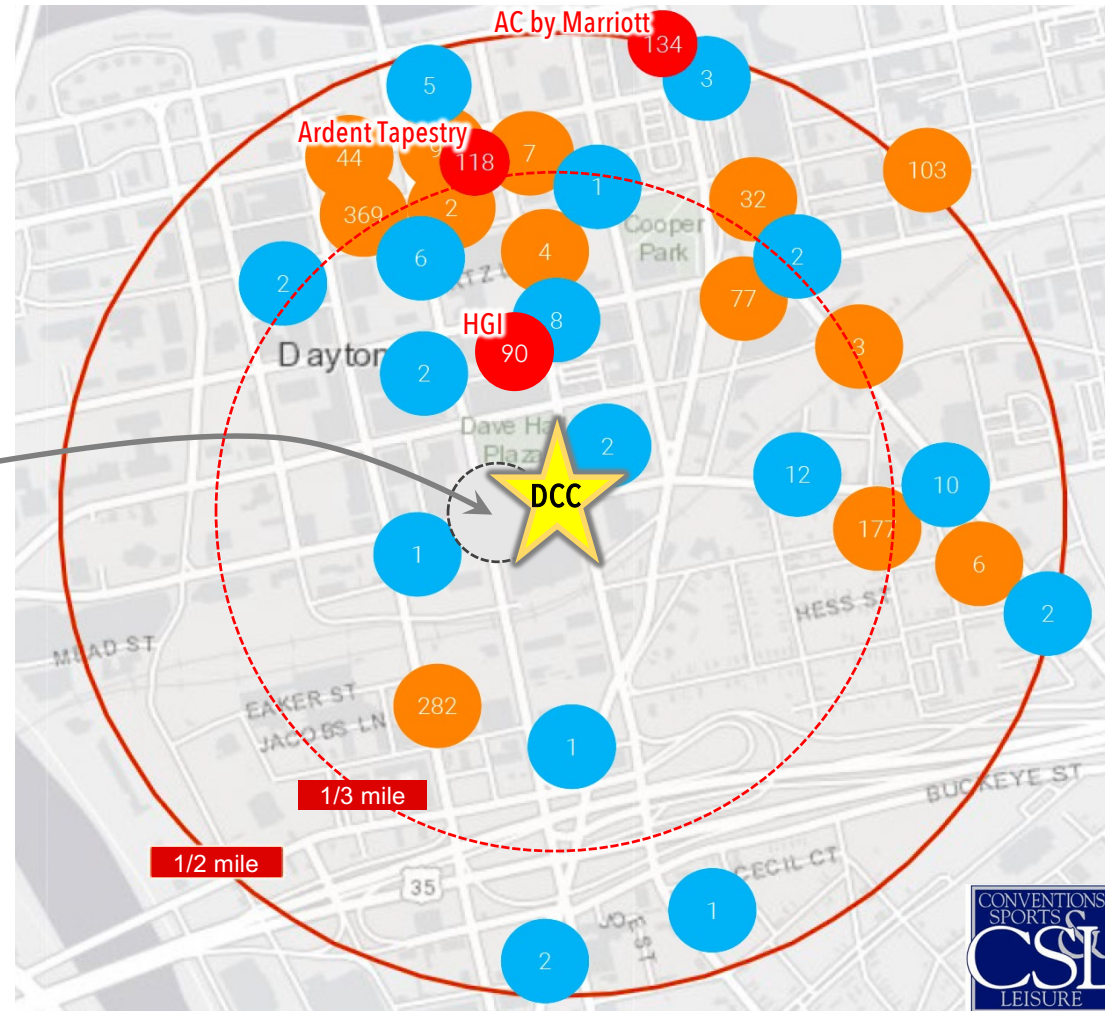
- ① To attract a reputable, qualified hotel developer to undertake construction, operation, and ownership of a nationally-branded convention quality hotel adjacent to the Dayton Convention Center
- ② To set the conditions in place to allow for a timely and efficient process of soliciting, vetting, and selecting that qualified developer



Why?

Q:

The former Crowne Plaza Hotel's future is uncertain
Does it Matter?



Two market studies consistently identify a need for not less than **500** committable rooms within walking distance of the DCC

A:

Yes. Customers demand an adjacent/attached Hotel.

When Conventions Select a Host Destination:

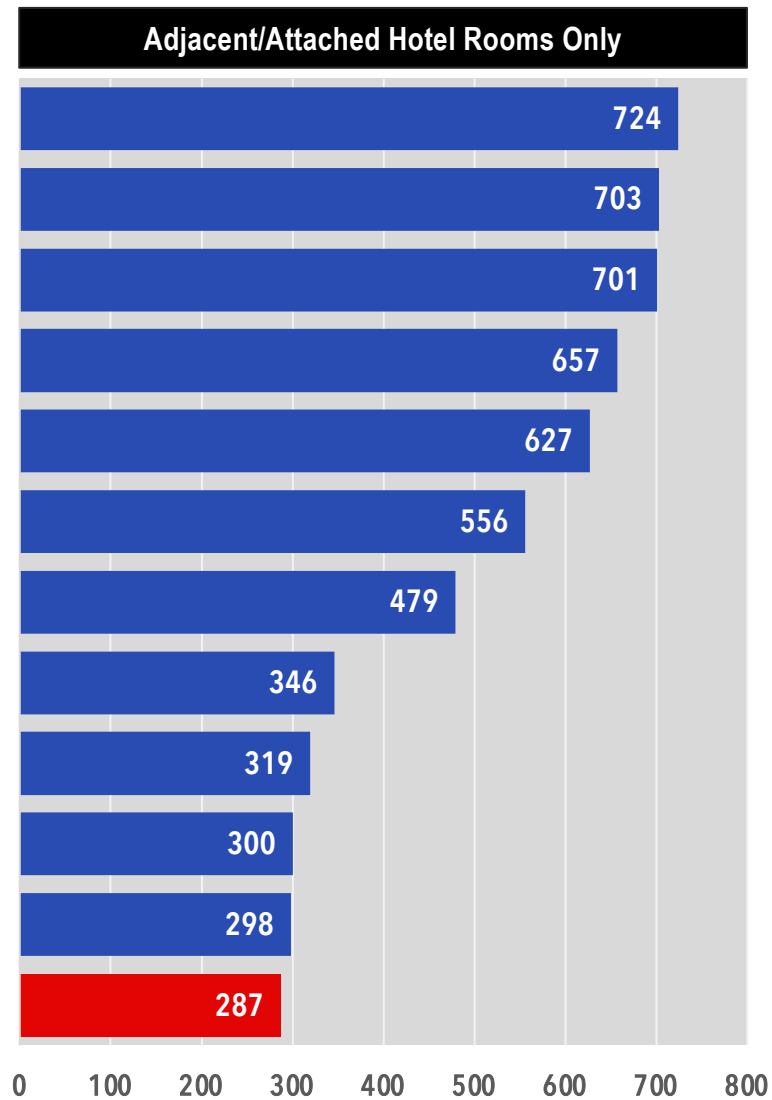
- 80%±** Require a Nationally Branded Hotel adjacent to the Convention Center
- 15%±** Prefer that Hotel adjacent to the Convention Center
- 5%±** Do Not Need a Hotel adjacent to the Convention Center

Source: Industry survey data; HP&D



Why?

How Dayton Compares to its Competition



assumes former Crowne Plaza is operational

Source: Trip.com; HP&D

			No. Rooms	Year Open	Year Renov.
Lexington KY	Hyatt Regency	Full	356	1977	2008
	Hilton Hotel	Full	368	2008	-
			724		
Little Rock AR	Marriott Hotel	Full	321	1982	2014
	Capital Hotel	Luxury (I)	94	1876	2019
	Doubletree by Hilton	Full	288	1995	2017
		703			
Knoxville TN	Marriott Hotel	Full	301	1981	2021
	The Tennessean Hotel	Luxury (I)	85	2017	-
	Hilton Hotel	Full	315	1981	2013
		701			
Fort Wayne IN	Hilton Hotel	Full	287	1985	2011
	Courtyard by Marriott	Select	250	2010	-
	Hampton Inn	Select	120	2019	-
		657			
Covington KY	Marriott Hotel	Full	321	1999	2018
	Embassy Suites	Full	306	1990	2008
		627			
Tulsa OK	Doubletree by Hilton	Full	417	1988	2015
	aLoft by Marriott	Select	60	1969	2013
	La Quinta Hotel	Select	79	2021	-
		556			
Sharonville OH	Hyatt Place	Select	125	2017	-
	Delta by Marriott	Full	226	2020	-
	ivINN	Select (I)	128	1989	2017
		479			
Boise ID	The Grove	Full (I)	234	1998	n/a
	Hotel 43	Full (I)	112	2022	-
		346			
Des Moines IA	Hilton Hotel	Full	319	2018	-
Wichita KS	Hyatt Regency	Full	300	1997	2016
Toledo OH	Hilton Garden Inn	Select	207	2022	-
	Homewood Suites	Select	91	2022	-
		298			
DAYTON OH	ATTACHED HOTEL	TBD	287	1976	

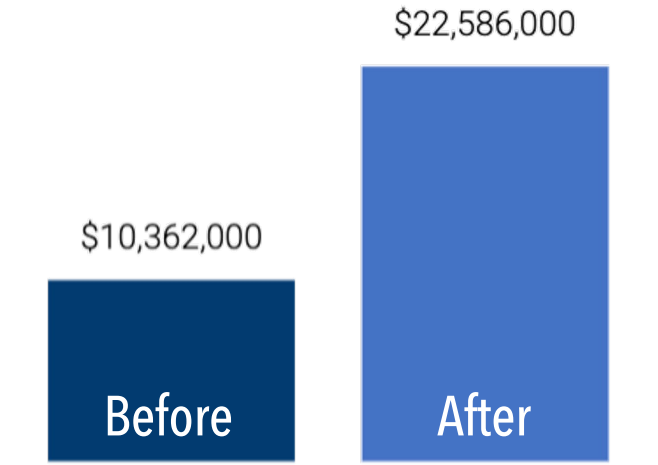


Why?

Benefit of DCC Expansion w/ HQ Hotel

ECONOMIC IMPACT

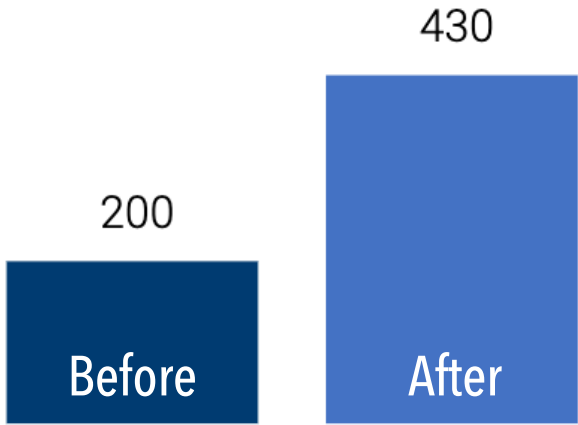
 DCC-Generated Direct Spending



- Historical Direct Spending
- Potential Future Direct Spending

JOBS

 DCC-Generated Employment



- Historical Employment
- Potential Future Employment



Where?





What?

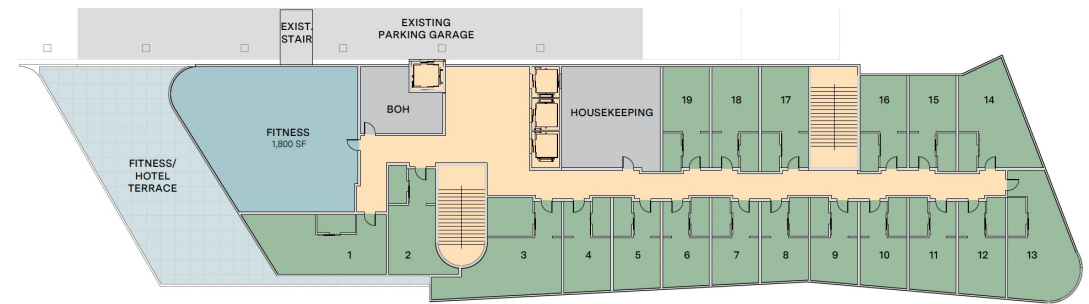
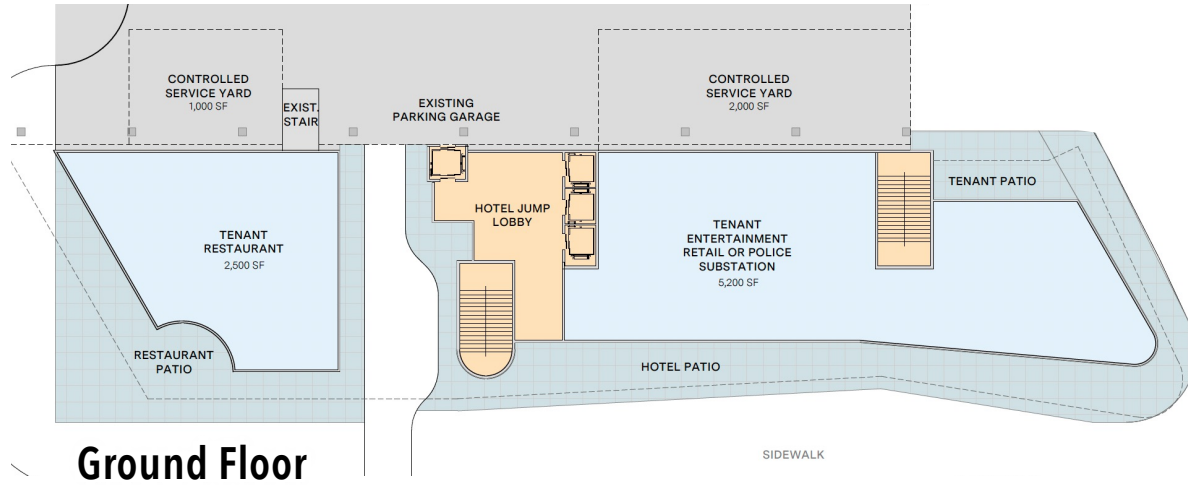
Full-Service:

- 212 Guestrooms
- Restaurant
- Retail/Civic Spaces
- Terrace
- Fitness
- Public Spaces
- All parking in attached, existing deck

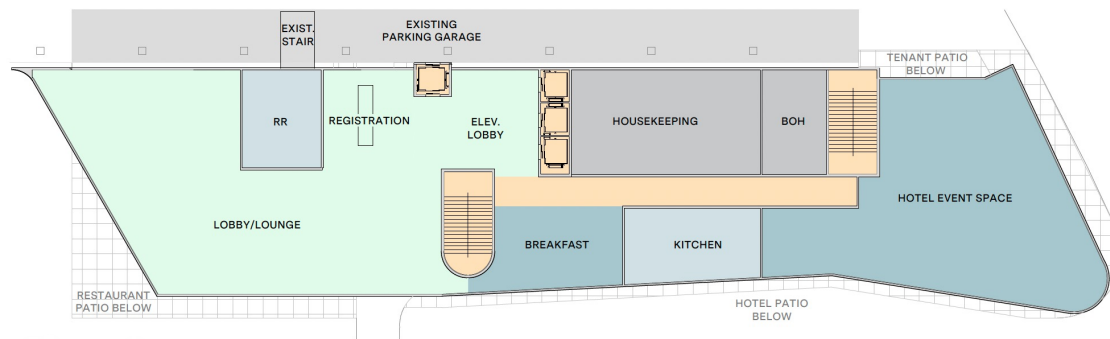




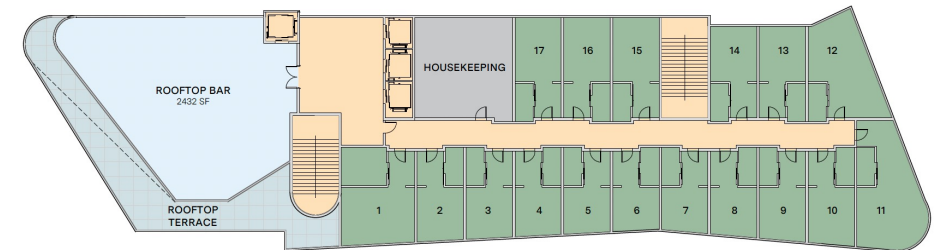
What?



Floor 3



Floor 2



Floor 12 - Rooftop



Economics

- **FACT #1:** A full-service convention hotel in Dayton will have a funding gap and will require a public-sector investment

- **FACT #2:** There are too many unknown variables at this point to accurately project the amount of public-sector investment required
 - Number of guestrooms
 - Hotel quality level
 - Amount of meeting space
 - F&B Outlets
 - Design aesthetics
 - Bullishness of ops projections
 - Financing plan
 - Level of developer competition
 - Land lease terms
 - Construction cost trends
 - Interest rates
 - RBA
 - RFQ process & strategy
 - Others

- **GOAL:** An effective RFQ solicitation and vetting process to identify the best team, the right hotel product, and with the lowest public investment



Request: *Process to Determine & Address Gap*

- Solicit Developers with an RFQ and preliminary project proposals. This will inform us on what will be realistic in terms of the size and quality of the project [2-3 Months]
- Identify Sources of Funds: [3-5 Months]
 - Developer Equity
 - Developer-incurred Private Financing/Debt
 - MCCFA/City/County Public Grant* - Assume use of \$4,500,000 MCCFA Hotel Facilities Project Fund and contribution of land;
 - Other Public Grants and Incentives
- Layer in longer-term incentives to improve private sector value by offsetting operating costs and supporting debt service

* MCCFA Funds – Pre-development expenses; soft-costs; due diligence/feasibility studies; hard construction costs.
County and City Funds – Limited to hard construction expenses expended during the course of actual construction.



EDA Term Sheet Highlights

- **PARTIES** Separate agreements between MCCFA and the City of Dayton; and MCCFA and Montgomery County
- **MCCFA OBLIGATIONS** Commits the MCCFA to lead the effort to identify a developer and to contribute **\$1.5 Million** of MCCFA funds to a project fund held by the MCCFA
- **CITY OBLIGATIONS** Commits the City to contribute the following:
 - **\$1.5 Million** to the MCCFA project fund for use to pay project costs of constructing and equipping the hotel, plus
 - **Contribute the Land** with the exact mechanism for contributing the land is TBD depending on the overall project structure
[One option includes conveyance of the land to the MCCFA followed by a ground lease by the MCCFA to the developer]
- **COUNTY OBLIGATIONS** Commits the County to contribute **\$1.5 Million** to the MCCFA project fund for use to pay costs of constructing and equipping the hotel
- **FINAL APPROVALS** Commitments are subject to the approval by the City and County to the final developer and general development plan



BUSINESS LEADERS TESTIMONY



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