

*Information provided by City at request of Downtown Partners

Sioux City Convention Center Challenge - Fewer events & decreased revenue

Hunden Strategic Partners Study (2015) recommended:

- Quality branded hotel 150-room in close proximity
- A ballroom space to offer flexibility

An RFP process resulted in the recommendation for Kineth Hospitality Company, Inc., a leading hotel management development and ownership company based in North Liberty, Iowa, as the partner of choice.

Iowa Reinvestment District (IRD) program opportunity:

- Allows use of state hotel/motel & sales taxes for up to 20 years
- Three destination anchors - Convention Center Hotel, Virginia Square and the Ag Expo Center
- Builds upon recent downtown momentum provided by the reconstruction of Interstate 29, stockyards revitalization, enhancements to the riverfront, and the ongoing development of new housing, historic districts and unique amenities.
- Encourage the continued growth of downtown as the entertainment and cultural center for the entire region, increase private investment and sets the stage for future redevelopment.
- Sioux City awarded “provisional approval” under the IRD in February 2016

Today’s successful convention centers offer an improved hotel experience:

- Courtyard by Marriott Hotel 150-room - full service amenities, with a bistro, bar, business and exercise center to accommodate community functions, social events, business, and convention
- “Pre-Function” space - direct connection to hotel and useable space
- Ballroom space using Gallery C provides flexible uses. According to HSP study, ballroom occupancy within North American convention centers, regardless of size, averaged 45% from all event types.
- New convenient restrooms
- Additional parking included in project
- Flexible spaces/technology – connected hotel, pre-function space, ballroom amenities
- New entrance provides walkable access to Promenade Plaza & Historic Fourth District

Benefits:

- “Hospitality destination concept” - increased efficiencies for facility marketing and management
- Increased events and revenue to the Convention Center
- Increased hotel/motel & sales taxes - local and state (IRD)
- Important civic amenity that provides many community activities and events
- Strengthen appeal of downtown Sioux City as a destination draw for visitors, businesses, restaurants and entertainment facilities, resulting in increased downtown spending. HSP estimates \$219 million in new spending and \$69 million net new earnings in the first 20 years.
- Market the City as a regional center and promote a positive environment for business development.

Kineth Hospitality has secured the required financing and Courtyard by Marriott brand.

Final Council consideration of the sale of property on April 17.

Construction to begin in summer 2017 with completion anticipated for July 2018.