Feasibility Study: Multi-Purpose Conference & Events Center

PROJECT REVIEW
How Did We Get Here?

Prompted by the Winchester Common Council’s adopted 2013-2014 Strategic Plan that requests the creation of a conference center development strategy.

Economic Development Authority of the City of Winchester solicited an RFP to acquire the services of a consulting firm to obtain a market feasibility study regarding Winchester’s economic ability to support a conference center.

The project was awarded to Strategic Advisory Group based on their response to the RFP.
How Did We Get Here?  cont’d.

SAG STUDY CONCLUSIONS:

- Winchester within population growth zone of US and offers easy regional accessibility
- Success of Nationally- and State-recognized “Old Town” spurred $110M+ in private investment
- Shenandoah University & Winchester Medical Center growth
- Leading hotels in Winchester support healthy fundamentals
- Lack of large, quality event space within the community
- Winchester has the destination components to penetrate group market
- Community already has signature event to help communicate and expedite the message
How Did We Get Here? cont’d.

SAG STUDY RECOMMENDATIONS:

- Pursue a 16,000± GSF facility to be adjacent to GW Hotel; equating to 9,100± NSF of Rentable Function Space
- One highly flexible & divisible space
- Concurrent development of 50-60± additional guestrooms in coordination with the GW Hotel
- Establish marketing strategy for new facility
- City should acquire the Winchester Towers due to its availability and ability to support the aforementioned conference/events center space and hotel rooms
SAG STUDY “KEYS TO SUCCESS”:

- Facility must be proximate to Old Town
  - Where people want to be
- Adjacency to hotel rooms
  - Creation of new rooms is strongly recommended
- Don’t get into the “conference” business but rather pursue the activity business
  - Conference Business vs. Activity Business
  - Fill facility, fill hotels, fill streets, fill restaurants, fill shops
- Hire an experienced sales professional that understands that business
  - Provide incentives for success
How Did We Get Here?  cont’d.

As with any City project, City Staff welcomes the public’s input regarding the future use of any City-owned property’s impending redevelopment.

Although we remain confident in the conference/events center strategy, obtaining the public’s opinion regarding the future use of the Winchester Towers will provide us with guidance in determining the highest and best use of the property.
Case Studies

- Fredericksburg VA
- Vicksburg MS
- Lancaster PA
- WINCHESTER
- Pueblo CO
- Vicksburg MS
- Fredericksburg VA
Case Study:  *Lancaster PA*
Lancaster PA

Downtown
Lancaster PA

- Population: 59,000
- Facility Built: 2009
- 46,500 SF Exhibit space
- 9,700 SF + 8,700 SF Ballrooms
- 6,700 SF Meeting space (16 rooms)
- 299-room attached Marriott hotel
- Operated as one facility by Interstate
Lancaster PA
Lancaster PA

- Existing Façade with New Structure
- Existing Historic Structure
- New Convention Facility
- Existing Structure
- New Hotel Tower
Lancaster PA
Lancaster PA

*Historic Structure*
(rear – inside facility)
Lancaster PA

Joint Hotel & Center Lobby
Lancaster PA

Center Pre-Function Space
Lancaster PA

Lancaster’s 9,000 SF Ballroom
Lancaster PA

Facility hosts 250± events per year

- Public & Consumer Shows: 36%
- Corporate: 16%
- Assoc. & Conventions: 5%
- Graduations, concerts, sports, dinners, dances, etc.: 43%

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Lancaster PA: Other Achievements

- 95 net new downtown businesses since facility opened in 2009
- 200 new FTE jobs in facility/hotel
- More than 68% of those jobs are filled by downtown residents - Walk to work
- Partner with High School to allow “job shadowing” training to local youth
- Facility offers ESL classes to community
Case Study: Vicksburg MS
Vicksburg Convention Center
Vicksburg MS

- Population: 23,000
- Facility Built: 1997
- Flex Space: 17,000 SF
- Meeting Space: 8,500 SF
- No attached hotel*
- Operated by VenuWorks
Vicksburg MS
Vicksburg MS
Vicksburg MS

Convention Center
Vicksburg MS
Vicksburg MS

Flexibility
Vicksburg MS
Vicksburg MS

Flexibility
Vicksburg MS

Typical Annual Results:

- Facility Events: 100± to 150±
- Facility Attendees: 60,000± to 90,000±

Noticeable impact on the community?
Case Study: Pueblo CO
Pueblo CO
Pueblo CO

- Population: 108,000
- Facility Built: 1997
- Ballroom Space: 16,000 SF
- Meeting Space: 5,000 SF
- 166-room attached Marriott Courtyard
Pueblo CO

Convention Center
Pueblo CO

Ballroom
Pueblo CO

Ballroom
Pueblo CO

Attached Hotel
Pueblo CO

Typical Annual Results:

- Facility Events: 450± to 550±
- Facility Attendees: 55,000± to 65,000±
- Positive impact on the community?
Case Study: *Fredericksburg* VA
Fredericksburg VA

- Population: 28,000
- Facility Built: 2006
- Exhibit Hall: 72,000 SF
- Ballroom Space: 10,000 SF
- Meeting Space: 3,000 SF
- No attached hotel
- Owned & operated by BMG
Fredericksburg VA
Fredericksburg VA

Expo Center

Downtown
Facility enjoys success, but reports an attached hotel would elevate its performance and economic impact.

In hindsight, facility would have built less exhibit hall space and more flexible ballroom-type space.
Questions & Comments?
Other Opportunities

- **Apartments/Condominiums**
  - Strong market support for continued development of downtown residential properties.

- **Mixed-use: Residential with Retail/Commercial**
  - Incorporate different types of commercial space in addition to residential units.

- **Retail/Commercial Space**
  - Could create various professional jobs in our downtown region. Potentially difficult to reach full occupancy.

- **Higher Education Classrooms/Housing**
  - Increase presence of post-secondary academic institutions in our downtown.

- **Medical Outpatient**

- **Other**
Please indicate on the placards around the room what the highest and best use of the Winchester Towers would be.

City Staff will review and compile the results and will distribute at a later date.
Next Steps

- Second Winchester Towers Public Information Open House on Dec. 3rd

- The Winchester Common Council will review all accrued data and make a decision regarding the future of the property in mid-2015.
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Thank You