

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: November 19, 2013 [ ] Consent [ X ] Regular  
[ ] Ordinance [ ] Public Hearing

Department: Tourist Development Council/Convention Center

I. EXECUTIVE BRIEF

**Motion and Title: Staff recommends motion to approve:** A) Initiation of the Convention Center Parking Garage (Parking Garage) project, B) a budget amendment of \$2,000,000, in the Public Building Improvement Fund recognizing the transfer from the TDC 1<sup>st</sup> Cent Tourist Local Option Fund and establishing a project budget line, and C) a budget transfer of \$2,000,000 in the Tourist Development Council (TDC) 1<sup>st</sup> Cent Tourist Local Option Fund Reserves to establish a transfer- out budget line to the Public Building Improvement Fund.

**Summary:** This item will allow staff to begin the planning and design process for the Parking Garage required at this time due to demand and future loss of existing parking spaces as a direct result of construction of the convention center hotel. The Parking Garage has been contemplated since the early planning stages of the Convention Center, however the timing was to be determined in the future when either; 1) event demands required same, and/or 2) the timing of the hotel and/or expansion of the Convention Center was known. Also, this item provides for a budget amendment and transfer to establish the budget for pre-construction services for the Parking Garage. By the Board approving the budget transfer today and a prioritization of the Parking Garage design from a Staff workload perspective (the two largest variables within the County's control), the TDC is attempting to; 1) construct the Parking Garage concurrent with the construction of the hotel, and 2) coordinate the timing of the two construction projects so that only one peak booking/attendance season is impacted. Coordination is already underway with the hotel agreeing to include changes to their design to create a better interface with the Convention Center and will need to continue in terms of ongoing communication and both parties making reasonable adjustments to the their own construction schedules. Funding for the pre-construction services is from 1<sup>st</sup> cent bed tax. The construction will be financed through a bond to be issued in late FY 14 or early FY 15 using allowable bed taxes to pay the future debt service. The TDC approved allocating \$2,000,000 to proceed with the design of the Parking Garage at its September 16, 2013 meeting. **(FDO) Countywide**

**Background & Policy Issues:** The build-out plan for the Convention Center always envisioned the need for a parking structure at some point in the future and the site plan approval and inter-local agreement shows a parking garage being constructed. The timing of the parking garage was to be determined in the future when; 1) demand was documented, and 2) the hotel and/or expansion of the Convention Center made the construction of the parking garage a necessity.

Since the Convention Center's construction, the Convention Center has supplemented its improved surface parking lot by the use of the unimproved land slated for the hotel and the hotel's parking garage. During the construction of the hotel, there will be significant impact on the Convention Center and the types of event that can be booked and single event attendance levels. This impact is not only from the parking spaces lost but the operational impacts (dust, noise, vibration, construction and construction worker POVs impacting the circulation to and from as well as around the site). Because of the anticipated impact on booking/attendance, the Convention Center operator (Global) recommended and the TDC approved \$2,000,000, for the design of the Convention Center Parking Garage. By the Board approving the budget transfer today and a prioritization of the parking garage design from a Staff workload perspective (the two largest variables within the County's control), the TDC is attempting to; 1) construct the parking garage concurrent with the construction of the hotel, and 2) coordinate the timing of the two construction projects so that only one peak booking/attendance season is impacted.

- Attachments:**
- 1. Budget Amendment
  - 2. Budget Transfer

Recommended By:  11/5/13  
Department Director Date

Approved By:  11/5/13  
Deputy County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	\$2,000,000				
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>	<b>\$2,000,000</b>				
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>					

Is Item Included in Current Budget: Yes  No

Budget Account No: Fund \_\_\_\_\_ Dept \_\_\_\_\_ Unit \_\_\_\_\_ Object \_\_\_\_\_  
 Program \_\_\_\_\_

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

This item establishes the budget for pre-construction services associated with the Convention Center Parking Garage. The construction services budget is currently estimated at \$58,000,000. This assumes a garage with 2740 spaces at a hard construction of \$17,000/space and a significant contingency at this time due to the number of assumptions regarding the design of the garage.

C. Departmental Fiscal Review: *Erin Ben Roper*

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Development Comments:**

*Susan Thayer* 11/5/13 N/A  
 OFMB *AK* *80* Contract Development and Control  
 11/5 11/5/13 11/5

**B. Legal Sufficiency:**

*[Signature]* 11/6/13  
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director  
 This summary is not to be used as a basis for payment.

**Background & Policy Issues (Cont'd)**

The Parking Garage will be owned by the County and managed by Global as part of the Convention Center. It will be sized to accommodate the needs to the Convention Center and the future expansion (as a vertical expansion to the garage will not be feasible in the future) during the Convention Center season.

The current Convention Center parking lot has 1100 spaces on one level. The increase in event traffic and attendance over the years has led to numerous situations where the lot is sold out soon after the event opens, thus requiring patrons to park at City Place and walk over to the Convention Center. While this has led to an increase in economic impact at City Place, it has also been a negative with our major show producers and older attendees. Global has also used the undeveloped hotel and condo sites on the east side of the building to park exhibitors and staff in order to allow more of the general public to park in the actual convention center lot and closer proximity to the center. Combing the 1100 Convention Center spots in the main lot with the 300 spots in the hotel and condo areas gives a total of approximately 1400 spots currently being used to service the facilities events and attendees.

When Related breaks ground this fall on the Convention Center hotel, both the hotel and condo lots will be permanently off-line for convention center use. This will reduce the number of available spots by 300. The original hotel plan from 2007 also envisioned the hotel having 1000 spots for its own use (Staff and event attendee/guest), but the current plan only has 620 spots, leaving the area short by another 380 spots. These changes in the parking landscape make it imperative to build a parking lot large enough to handle all the additional traffic when these projects are completed.

The 2740 spots being recommended by County and Global staff will satisfy the following:

- Provide enough attendee parking for the numerous annual large scale events that occur at the Convention Center.
- Provide parking for exhibitors and show staff who have been parking on the hotel and condo sites for the last ten years.
- Provide overflow parking for the hotel when they are at full guest room and meeting room capacity.
- Provide the additional spots needed for Convention Center expansion.
- Maximize parking revenue for all PBCCC and hotel related events. Possible revenue from the parking lot could exceed \$1,000,000 annually.
- Allow traffic to move quickly off Okeechobee and into the lot, which will help reduce the already overly congested entry corridor to West Palm Beach.

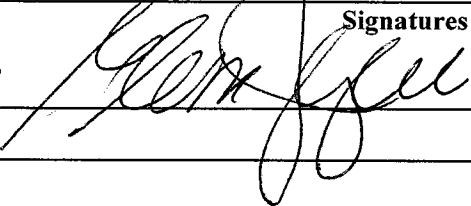
14 - 0131

**BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT**

**FUND 3804 - Public Building Impr Fund**

BGRV 101613-15  
BGEX 101613-133

ACCT.NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED 10/16/2013	REMAINING BALANCE
<b>REVENUES</b>								
3804-411-B572-8314	Tr Fr TDC 1st Cent Fd 1458	0	0	2,000,000		2,000,000	0	2,000,000
<b>Total Receipts and Balances</b>		<b>36,508,864</b>	<b>35,291,399</b>	<b>2,000,000</b>		<b>37,291,399</b>	0	37,291,399
<b>EXPENDITURES</b>								
3804-411-B572-6502	Building Construction - C.I.P	0	0	2,000,000		2,000,000	0	2,000,000
<b>Total Appropriations &amp; Expenditures</b>		<b>36,508,864</b>	<b>35,291,399</b>	<b>2,000,000</b>		<b>37,291,399</b>	0	37,291,399

<p>Office of Financial Management &amp; Budget INITIATING DEPARTMENT/DIVISION Administration/Budget Department Approval OFMB Department - Posted</p>	<p>Signatures &amp; Dates  11/15/13</p>	<p>By Board of County Commissioners At Meeting of 11/19/13 Deputy Clerk to the Board of County Commissioners</p>
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8/15

2014 - 0132

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA

BUDGET TRANSFER

Fund 1458 - Ist Cent Tourist Local Option Tax

BGEX 101613-132

ACCOUNT NAME AND NUMBER	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 10/16/13	REMAINING BALANCE
<u>EXPENDITURES</u>							
820-7290-9204      Transfer to Public Bldg. Improv Fund 3804	287,000	287,000	2,000,000	0	2,287,000	0	2,287,000
710-7345-9902      Operating Reserves	18,682,322	18,682,322	0	2,000,000	16,682,322	0	16,682,322
<b>TOTALS</b>			2,000,000	2,000,000			

Tourist Development  
INITIATING DEPARTMENT/DIVISION  
Administration/Budget Department Approval  
OFMB Department - Posted

Signatures & Dates

*[Signature]* 11/5/13  
*[Signature]* 11/5/13

AK  
11/5/13

BY BOARD OF COUNTY COMMISSIONERS  
AT MEETING OF  
11/19/2013  
Deputy Clerk to the  
Board of County Commissioners