

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: February 3, 2026

☐ Consent ☒ Regular
☐ Ordinance ☐ Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff requests Board direction: whether to proceed with further evaluation and staff-level negotiations related to a privately initiated concept submitted by Related Ross, LLC (Related Ross) for a Convention Center headquarters hotel intended to support and complement the Palm Beach County Convention Center (Convention Center).

Summary: Staff received written correspondence from Related Ross dated January 22, 2026, outlining a privately initiated concept for a Convention Center headquarters hotel to be developed on privately owned property in proximity to the Palm Beach County Convention Center. The correspondence requests the opportunity to engage with County staff regarding the concept and outlines a preliminary development vision intended to support the Convention Center's long-term competitiveness.

Staff is seeking direction on whether to proceed with staff-level engagement to evaluate and advance the developer's concept, including the potential negotiation of deal structure and key terms, or to decline further engagement. Any discussions would address ownership and delivery structure, site conditions, parking solutions, infrastructure and public-realm considerations, and coordination with the City of West Palm Beach.

The concept is presented under the County's economic development authority pursuant to Florida Statutes §125.045, which authorizes counties to pursue initiatives that serve a public purpose, including those that promote economic development, job creation, and regional competitiveness. While unsolicited, the concept aligns with long-standing County objectives to strengthen the Convention Center market by increasing the supply of committable headquarters hotel rooms.

Background and Policy Issues: In September 2020, the Palm Beach County Tourist Development Council (TDC) received the final Palm Beach County Convention Center District Expansion Study prepared by Conventions, Sports and Leisure International (CSL). The Expansion Study identified the addition of committable hotel rooms (optimally approximately 600) as a first priority to sustain and expand the Convention Center's marketability and support potential future expansion.

Continued on Page 3

Attachments:

1. Letter from Related Ross dated January 22, 2026
2. Location Map

Recommended by:

Jennifer Ferrie

Department Director

Date _____

Approved by:

Deputy County Administrator

Date _____

(II. FISCAL IMPACT ANALYSIS)

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2026	2027	2028	2029	2030
Capital Expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Operating Costs	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
External Revenues	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Program Income (County)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
In-Kind Match (County)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
NET FISCAL IMPACT	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

ADDITIONAL FTE
POSITIONS (Cumulative)

Is Item Included in Current Budget? Yes _____ No X _____
Does this item include use of federal funds? Yes _____ No X _____
Does this item include use of state funds? Yes _____ No X _____

Budget Account No: Fund _____ Department _____ Unit _____ Object _____


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

This item carries no fiscal impact.

C. Departmental Fiscal Review:


III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:


OFMB
11/30/2026
KK 1/30


Brenda Znachko
Contract Development and Control
05 1/20/26
2671.30.29

B. Legal Sufficiency:


Assistant County Attorney
2/2/26

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

Background and Policy Issues (Cont.)

Consistent with those findings, the County pursued a formal procurement process to evaluate development of a Convention Center headquarters hotel. In October 2023, the County issued Request for Proposals (RFP) No. 2024-101-ARQ seeking the design, development, construction, operation, and maintenance of a branded hotel to support the Convention Center (commonly referred to as the "Second Hotel," given the existing Convention Center Hilton Hotel). The solicitation established desired room count targets, identified County-owned sites while allowing privately owned sites to be proposed, and contemplated leveraging existing County parking infrastructure capacity within the Convention Center Parking Garage.

Three (3) proposals were received in response to the prior RFP. Two (2) were deemed non-responsive due to the failure to provide required financial assurances. The remaining proposal, submitted by CityPlace Hotel, LLC (CPL), an affiliate of Related Ross, was deemed responsive and advanced for evaluation by the selection committee. The committee recommended award subject to the negotiation of key conditions. Those negotiations did not result in a final agreement, and CPL subsequently withdrew from the process. The RFP was cancelled. Additional correspondence regarding alternative approaches was received thereafter but was not advanced.

The current item is separate and distinct from the prior procurement and withdrawn submissions. Staff has received new correspondence from Related Ross outlining a privately initiated, high-level concept framed under the County's economic development authority pursuant to Florida Statutes §125.045. The concept does not involve County-owned land, does not request County funding, and does not seek approval of a specific transaction. Rather, it proposes an alternative, market-driven approach to addressing the need for additional headquarters hotel rooms identified in the Convention Center Expansion Study and requests the opportunity to engage with County staff.

Accordingly, staff is seeking Board of County Commissioners (BCC) direction on whether to proceed with staff-level evaluation and negotiation of the proposed concept, including coordination with the City of West Palm Beach. Any future County participation would be subject to additional BCC approvals and the execution of formal agreements. Should the BCC direct staff to proceed, staff would return with a material term sheet outlining key findings, deal structure considerations, and policy matters requiring BCC direction prior to concluding negotiations and initiating preparation of any formal agreement for subsequent BCC approval.

ATTACHMENT 1
LETTER FROM RELATED ROSS



January 22, 2026

The Honorable Joseph Abruzzo
County Administrator
Palm Beach County
301 North Olive Avenue
West Palm Beach, Florida 33401

Dear Mr. Abruzzo,

Related Ross respectfully requests the opportunity to engage in discussions with Palm Beach County staff regarding a potential hotel development intended to support and complement the Palm Beach County Convention Center.

Florida Statute §125.045 affirms that counties may undertake economic development initiatives that serve a public purpose, including the strategic use of public assets and partnerships to enhance economic activity, job creation, and regional competitiveness. Consistent with that authority, we would welcome the opportunity to discuss a concept that we believe could materially strengthen the Convention Center's operational performance and long-term market position.

At a high level, Related Ross has proposed, at no upfront cost to the county, a \$310 million upscale, full-service branded hotel in the vicinity of the Palm Beach County Convention Center property, located on privately owned land at 900 S Rosemary Avenue in the City of West Palm Beach. The proposal is to develop a convention center headquarters hotel designed to directly support Convention Center operations and improve the County's ability to attract and retain meetings, conferences, and related events.

From a public-benefit perspective, a headquarters hotel of this nature has the potential to:

- Enhance the Convention Center's competitiveness in securing large-scale conventions and events
- Double the hotel room inventory aligned specifically to Convention Center demand, with 80% of the rooms exclusively dedicated for the Convention Center's use
- Generate sustained visitor spending and associated economic activity
- Create a substantial number of construction and permanent jobs and incremental tax revenue
- Advance the County's small business participation goals, including a minimum 15% SBE commitment during construction, coordinated with the County's Office of Equal Business Opportunity
- Preserve county owned land for future use of the Convention Center

360 S Rosemary Avenue
West Palm Beach, FL 33401

+1 (561) 570-3682
relatedross.com

We recognize that any project requires careful consideration of policy alignment, operational needs, and legal requirements. However, the substance of our proposal closely mirrors the structure the County has already successfully implemented at the first Convention Center hotel, and this project is effectively “shovel ready”. Accordingly, we respectfully request that the County Commission place this item on the agenda for consideration as soon as possible. We stand ready to work with you, staff and the Commission on this important project and welcome the opportunity to provide any additional details or answer any questions you may have.

Sincerely,



Eric Silagy
Vice-Chairman
Related Ross

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West Palm Beach, FL 33401

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relatedross.com

Attachment 2



January 27, 2026

