

# Proposed Exhibition Center Questions

Proposed Site & Offer to Purchase	Feasibility of an Exhibition Center	City of Appleton's Role
<p>1. The assessed value of the site is identified at \$900,000. The City's offer to purchase is approximately \$2 million? Why would the City pay more for the site than it is worth? Why doesn't Outagamie County invest in this project since it is a boon for the whole region? It seems they are taking advantage of Appleton taxpayers for this piece of property.</p> <p>2. Outagamie County proposed selling the site for \$1 if the City builds the county a parking structure on its existing parking lot. What would that cost the City? Would it be a better deal?</p> <p>3. Why is there only one site (owned by Outagamie Co. on Lawrence Street) being considered for this project? Is it true that no other property, such as a property on the other side of College Avenue, could be obtained for a comparable price to the parking lot that currently belongs to the county?</p>	<p>1. If an exhibition center is such a catalyst for economic growth in a community, why wouldn't the private sector build the center?</p> <p>2. Should a city be in the exhibition center business? Why not a non-profit owner, such as a 501c4?</p> <p>3. Why should an exhibition center in downtown Appleton be attached to the Radisson? Why not build an exhibition center on a large site that is not tied to the hotel?</p>	<p>1. What role will the City of Appleton assume for the development of an exhibition center?</p> <p>2. Are there other ownership options for the exhibition center? Were they reviewed?</p> <p>3. What is the relationship between the City of Appleton and the Fox Cities Exhibition Center Inc.? Why didn't the FCEC continue leading this project?</p>
<p>4. Doesn't the old ravine run through the proposed exhibition center site? Is the land capable of holding a large building?</p> <p>5. Is the proposed site for the exhibition center contaminated? If so, who will pay to clean it up? Is the money in the escrow fund for remediation enough to cover all remediation to meet DNR requirements? If not, how will the expense be covered?</p>	<p>4. How do the hotels in the Fox Cities that are not in downtown Appleton feel about the exhibition center?</p> <p>5. The projected economic impact from the development of an exhibition center changed from the original feasibility study by Convention Sports and Leisure (2008) to the updated feasibility study (2014) completed by CSL. Why?</p>	<p>4. How will the construction of an exhibition center impact the City of Appleton's budget?</p> <p>5. If the hotel would cease to provide management services, what impact would this have on the City?</p>
<p>6. How will parking be provided for the attendees of the exhibition center?</p>	<p>6. Does the hotel have a business plan that supports the viability of operating an exhibition center? Approximately how many conferences/event are lined up and waiting to bring business to this center?</p>	<p>6. Define the roles of the City departments that are and will be involved in the exhibition center project. Specifically, Finance, Community &amp; Economic Development, Public Works, Facilities, Attorney, Human Resources, and Mayor.</p>

7. If the Exhibition Center would need to expand in the future, how would it expand?

7. CSL is a leading expert on exhibition centers. Do they ever recommend not building a center? If so, where and why? Is there a report available comparing CSL's projections to actual performance of projects?

7. Clarify the City's role in the actual construction of the exhibition center building versus the actual operations of the exhibition center.

8. Why wasn't the purchase agreement brought before the Common Council In June 2014?

8. Heywood Sanders was quoted in a Post Crescent article disputing the CSL study. Comment and explain please.

8. Clarify the role of the outside legal counsel, Hinshaw & Culbertson, for this project. Does our contract with Hinshaw & Culbertson address a situation in which the project does not proceed, given we have paid them in full for a scope of work to cover the entire project?

9. Would the Convention & Visitors Bureau still support the exhibition center if it was built in another community?

9. How does this project compare, risk-wise, to other projects Appleton has undertaken in the past? What is the City's exposure for this project? Is it just financial? What is the risk and why?

10. Would the Chamber of Commerce still support the exhibition center if it was built in another community?

10. Is the City working with a particular private investor to facilitate the sale of the hotel?

11. What is the sequencing for the development of the Exhibition Center? Critical decisions include: Fox Cities municipalities increasing the room tax, borrowing bonds, determination of room tax amount, determination of building design and costs (will the design completed by Fox Cities Exhibition Center Board be used)?

12. The KI Center in Green Bay has been identified as our most significant competitor. What would this Exhibition Center provide that the KI doesn't? What are the details of the proposed center's "competitive edge"?

13. What data supports the assertion that without the exhibition center the Radisson Paper Valley hotel will fail? Data presented recently indicates the hotel had a series of record months.

**Appleton Redevelopment Authority's Role**

1. What role will the Appleton Redevelopment Authority assume with regard to the exhibition center project?
2. What is the difference between the City and the Appleton Redevelopment Authority?
3. How does the Appleton Redevelopment Authority issue bonds for this type of project? What liability or risk is assumed with this type of project financing?
4. How will the construction of an exhibition center impact the Appleton Redevelopment Authority's budget?
5. If the hotel would cease to provide management services, what impact would this have on the Appleton Redevelopment Authority?

**Financing of an Exhibition Center**

1. How will the exhibition center project be funded? Who will have to borrow the money to pay for the exhibition center? Who will have to guarantee the money to pay for the exhibition center?
2. What is the current room tax for hotels in Appleton and the Fox Cities?
3. How much room tax will be used to build an exhibition center? Does that prevent/limit future projects in the Fox Cities to encourage more tourism? How are the room tax revenues collected each year used to fund the construction of the exhibition center? Are the room tax revenues supporting other projects now? How much room tax is currently being used for other projects, such as the Performing Arts Center? Will an increase in room tax take away funding from other projects? How much room tax would be available for any future projects if the room tax rate is increased for the exhibition center? Is there a limit on how much room tax can be used for just one project or one community?
4. Will all communities in the Fox Cities provide their room tax revenues to support an exhibition center in Appleton?
5. Who issues bonds to pay for the exhibition center?
6. What if the bonds cannot be repaid by the room tax?

**Operations of an Exhibition Center**

1. If the exhibition center makes a profit, who would get it?
2. Who will be responsible for insuring the exhibition center, including builder's-risk, property and general-liability insurance?
3. Who hires and manages the staff for the exhibition center?
4. Who is responsible for marketing the exhibition center to ensure its success?
5. The Fox Cities Exhibition Center Inc. repeatedly stated they anticipating an operating deficit of about \$250,000 that would have to be assumed by the hotel. Recently, comments have been made about the hotel generating a profit after expenses to operate the exhibition center. Why the difference?
6. The current owner of the hotel is LNR. Who are they and what is their goal?

7. Who will pay for the daily costs of the exhibition center (staff, services, utilities, etc.)?

7. What assurances or protections does the City, ARA or others have in entering into a management agreement for operations with an owner that may not be around for the long-term? Can the agreement be made transferable to a new owner under the previously negotiated terms? What kind of impact/input does the lease/management agreement have on the operations and condition of the hotel? There is community concern about ensuring a level of investment that will keep the facility a high quality hotel property.

8. Can the bonds issued for the exhibition center also pay for the purchase of the land?

9. Explain the legal aspects of Wisconsin SS 66.0615 in terms of room tax and forfeitures.

10. If the exhibition center is anticipated to generate an annual profit, and the City or ARA own the exhibition center, how does the potential for a \$100,000 annual payment in lieu of taxes impact the financing of the exhibition center and collection of room tax? Will the City be reimbursed for its investment from any profits?

## **Design & Construction of an Exhibition Center**

## **Impact on the Downtown & the Fox Cities**

1. Who will design the exhibition center? Who will build the exhibition center? Who will be responsible for overseeing the design and construction process to ensure we are getting a state of the art facility for the Fox Cities?

1. Is there data to support how other Fox Cities communities benefit from paying the increased room tax for a project in downtown Appleton?

2. Who will handle the money for the construction of the exhibition center to pay the contractors?

2. What will happen to downtown Appleton if the exhibition center is built?

3. What if there are cost overruns during the construction of the exhibition center building? Who will pay to complete the project?

3. What will happen to downtown Appleton if the exhibition center is not built?

4. What type of impact on jobs, tax base or other economic indicators are expected downtown and across the Fox Cities with the construction of an exhibition center?

5. What makes downtown Appleton a preferred location for a convention center as compared to other Wisconsin options, such as Green Bay, Oshkosh, and Wisconsin Dells?

6. Since the room tax will also be funding the sports facility that is being planned by other entities, why is the synergy between these projects not part of this discussion?

7. How will the Exhibition Center impact the quality of life of those living in the condos on the other side of Jones Park?

8. How would the success of the exhibition center potentially lead to houses being purchased and then demolished by the City in order to accommodate parking?

9. How would the Exhibition Center impact the ability of the Police Department to expand if necessary?

10. Have the traffic patterns from the highway into the City been considered? Can the West College Avenue corridor and connecting City streets handle the increased truck traffic related to exhibition center business? What will be the impact on neighborhoods along these streets?