

City of Ashland, Kentucky
Conference Center Public-Private Partnership
Request for Information



Information Due Date
August 25, 2023, 4 p.m. Eastern Time

Information Delivery Address
City of Ashland
1700 Greenup Ave
Ashland, Kentucky 41105

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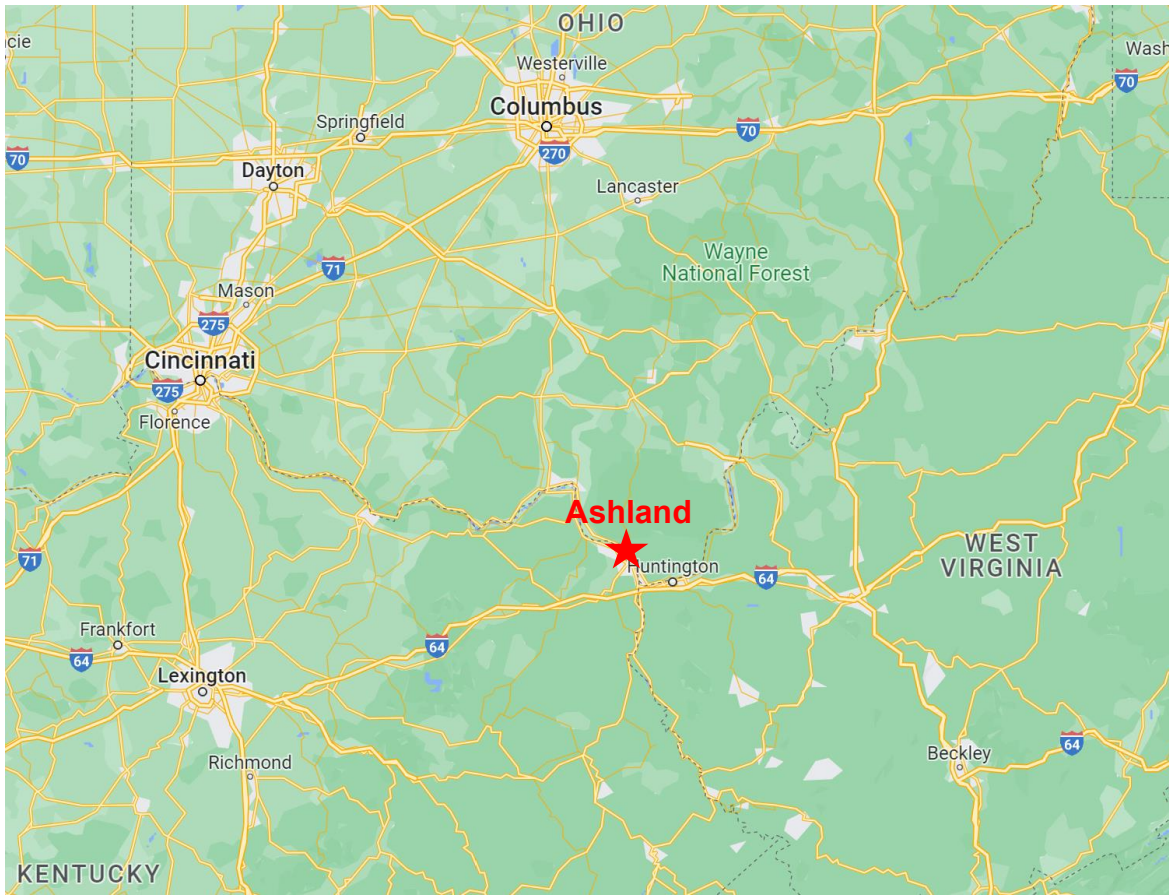
Executive Summary

The City of Ashland, Kentucky is issuing this Request for Information (“RFI”) to solicit feedback and creative ideas from innovative and capable teams on how to deliver a conference center and parking facility (the “Project”) as a public-private partnership (“P3”). Ashland recently completed a feasibility study (“Feasibility Study”) that determined there is a strong demand for a downtown conference center and that the Project’s operations would be financially viable. In addition to the Conference Center P3, Ashland is open to exploring a Private Partner assuming responsibility for the City’s parking system and event space operations. Ashland is now seeking developer, investor, and operator interest in and feedback on the Project, to include the best uses of the conference center facility to meet the City’s needs while generating maximum revenue to support the Project. Interested parties are invited to submit written information as well as schedule one-on-one meetings with the City to provide verbal feedback.



I. Ashland is Eastern Kentucky’s largest urban area.

Ashland has 21,000 residents and is a growing part of the Huntington-Ashland Metropolitan Statistical area of 362,000 within a three-state region. The City is a regional center for healthcare, commerce, banking, and recreational activities. Ashland is accessible through Interstate 64 and multiple highways, a Greyhound Bus Line, and Amtrak’s Cardinal line that runs from Washington D.C. and New York to Chicago. The nearby Huntington Tri-State Airport offers commercial flights to many national destinations.



Located along the Ohio River, Ashland is known for the natural beauty of Eastern Appalachia, the historic Paramount Performing Arts Center, and the impressive bronze sculptures of Gines Serran-Pagan. It is a must-see destination for art and culture lovers.



Ashland is a vibrant community with a number of events throughout the year. These events include Summer Motion, First Fridays, the Gravy Bowl during Superbowl weekend, Poage Landing Days, Firkin Fest, Winter Wonderland of Lights, Broadway Nights, Riverfront Concerts, Farmer's Market and the Festival of Trees and Trains. Poage Landing Days is a particularly special festival that draws 20,000-30,000 visitors each year and is ranked as one of the top 25 downtown festivals in Kentucky. The festival draws skateboarders from across the U.S. and features delicious foods and drinks, vendors, artisans, and crafters, children's activities, games, and local music.



II. Ashland's Objectives

The City seeks to provide a conference center and meeting space development to accomplish the following objectives with this Project:

1. Enhance Ashland's downtown district,
2. Generate downtown tourism and economic development,
3. Ensure sufficient parking for downtown activities,
4. Improve the quality of life of residents and visitors, and
5. Develop a Project that maintains the character of the community.



III. Project Overview

A. Background

The City of Ashland and state and local stakeholders have collaborated extensively over the years to revitalize downtown Ashland and believe the community has strong unrealized potential to attract conferences, conventions, tradeshow, and other events. A conference center and parking structure would meet the needs of local and regional businesses, associations, public entities, and non-profits for event space, and serve as an economic generator.

The City and stakeholders are fully committed to this Project and have taken significant steps to pave the way. In 2017, the City and Boyd County Fiscal Court established the Ashland Plaza Development Area and secured \$6.8 million in state Tax Increment Financing (“TIF”) to develop 36 acres in downtown Ashland. During this period, WB Hospitality renovated the former Ashland Plaza Hotel into the Delta Hotel by Marriott with 152 rooms, three-star full-service accommodations, a restaurant, bar, and meeting spaces adjacent to the Project Site with a total investment value of \$23 million. In 2021, the Woodland Foundation awarded Ashland a \$750,000 grant for the Project and reaffirmed the grant in 2023.

In 2022, the City demolished the former Ashland Oil Headquarters on the Project Site to make room for this Project. Also in 2022, the City acquired a 418 space multi-level parking structure located on 16th Street only two blocks from the site, to complement the existing downtown parking. The City also hired consultants that year to conduct a Feasibility Study to analyze the market demand and economic impact of the Project. The Feasibility Study found the largest conference center design, upon stabilization, would accommodate 104,700 annual attendee days and would generate an additional 13,341 annual hotel room nights, with an annual economic impact of \$15.2 million. In addition to the economic activity and jobs, the Project will elevate Ashland's profile as a visitor destination and high-quality place to live and work.



In February 2022, the Boyd County Fiscal Court adopted the following by ordinance: If the City of Ashland issues bonds to retire a 2011 B Bonds (Paramount Arts Center Remodeling) & constructs a conference center promoting tourism in "The District," the existing transient room tax will be voided and replaced with a 2% transient tax to pay towards the CoA Bond.

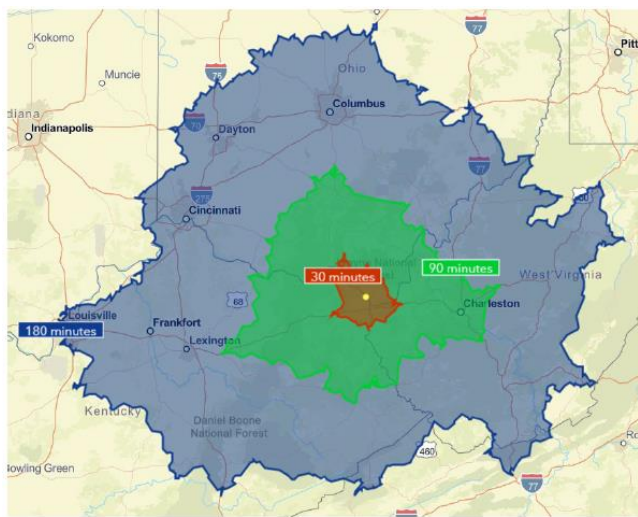
In 2023, the Commonwealth of Kentucky Energy and Environment Cabinet, Division of Abandoned Mine Lands also awarded the City a \$1 million Abandoned Mine Land Economic Revitalization ("AMLER") grant to assist with funding the engineering and design of the Project.

Slated for summer 2023 construction is a \$7 million Winchester Avenue Street Improvement Project that will transform the downtown area's look and feel from a traditional transportation corridor into a walkable pedestrian friendly destination. The project includes construction of five mini-roundabouts replacing current traffic signals at the 14th through 18th intersections, reducing current four-lane traffic to two-lane traffic and converting parallel parking to unique back-in angled parking. From 7th Street all the way through to 22nd Street the corridor will be streetscaped with new sidewalks, lighting, benches, and landscape plantings. The project objectives include traffic calming, safety improvement, increased walkability, downtown revitalization, and increased tourism.



The Project has the potential to draw from a large market and is within a two-hour drive of 2 million people and a four-hour drive of 14.7 million people.

Driving Distance to Ashland

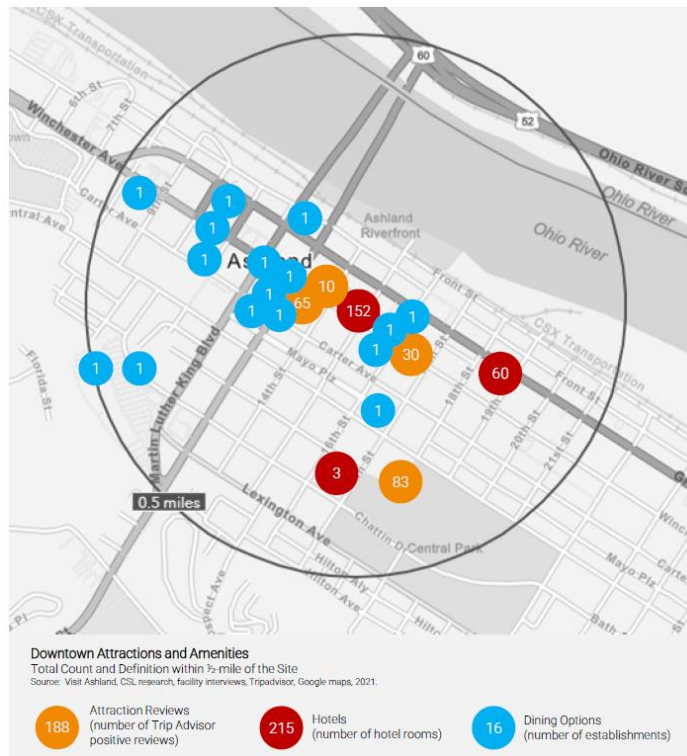


Source: Esri, 2022.

Market	Distance to Site (in miles)	Drive Time (hrs:mins)	Market Population
Charleston, WV	68.5	1:11	47,273
Columbus, OH	122	2:16	889,079
Dayton, OH	153	2:33	140,444
Cincinnati, OH	137	2:28	302,687
Frankfort, KY	141	2:23	27,705
Lexington, KY	119	2:03	322,200
Springfield, OH	145	2:30	58,957
Louisville, KY	196	3:09	618,733
Indianapolis, IN	249	4:14	869,387
Pittsburgh, PA	293	4:36	301,286
Cleveland, OH	212	3:08	385,282

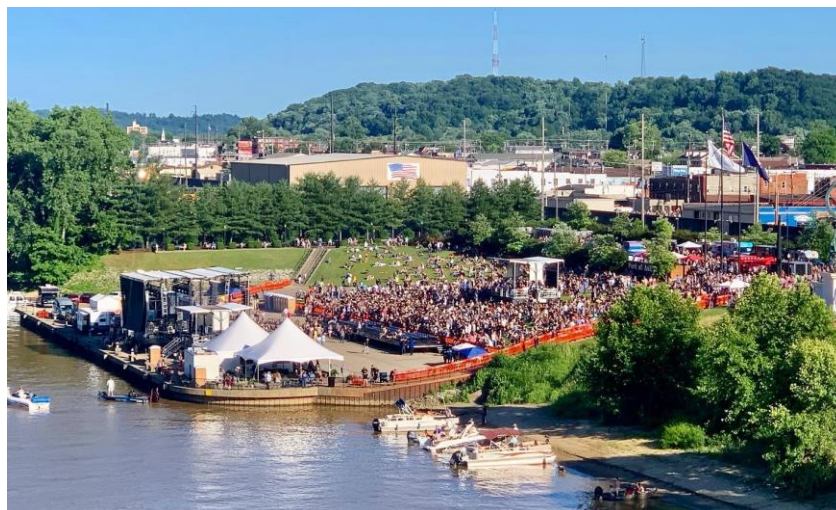
The proposed Project Site is within walking distance of a number of restaurants, hotels, and attractions highlighted by the City's 47-acre Central Park and the historic Paramount Performing Arts Center.

Project Site Map and City Properties



Nearby to the Project Site are the City-owned Riverfront Park development and Transportation Center. The 11-acre Riverfront Park has recreational features such as a boat landing dock, boat launch ramp and walking trails and is also the host site to the annual Summer Motion Festival and has hosted music concert events accommodating up to 10,000 attendees. The 3,800 square feet (“sq. ft.”) Transportation Center is available for rent for receptions and events and can seat 250 guests.

Poage Landing Park Concert at Riverfront Park



Ashland Transportation Center



B. Conference Center Project Overview

The Feasibility Study found there is strong market demand for a conference center with up to 30,000 sq. ft. of total sellable event space. The City owns two parcels next to the Delta Hotel suitable for the Project at 1401 Winchester Avenue. The Project Site is approximately 14,000 sq. ft. with a nearby smaller parcel of approximately 4,000 sq. ft.

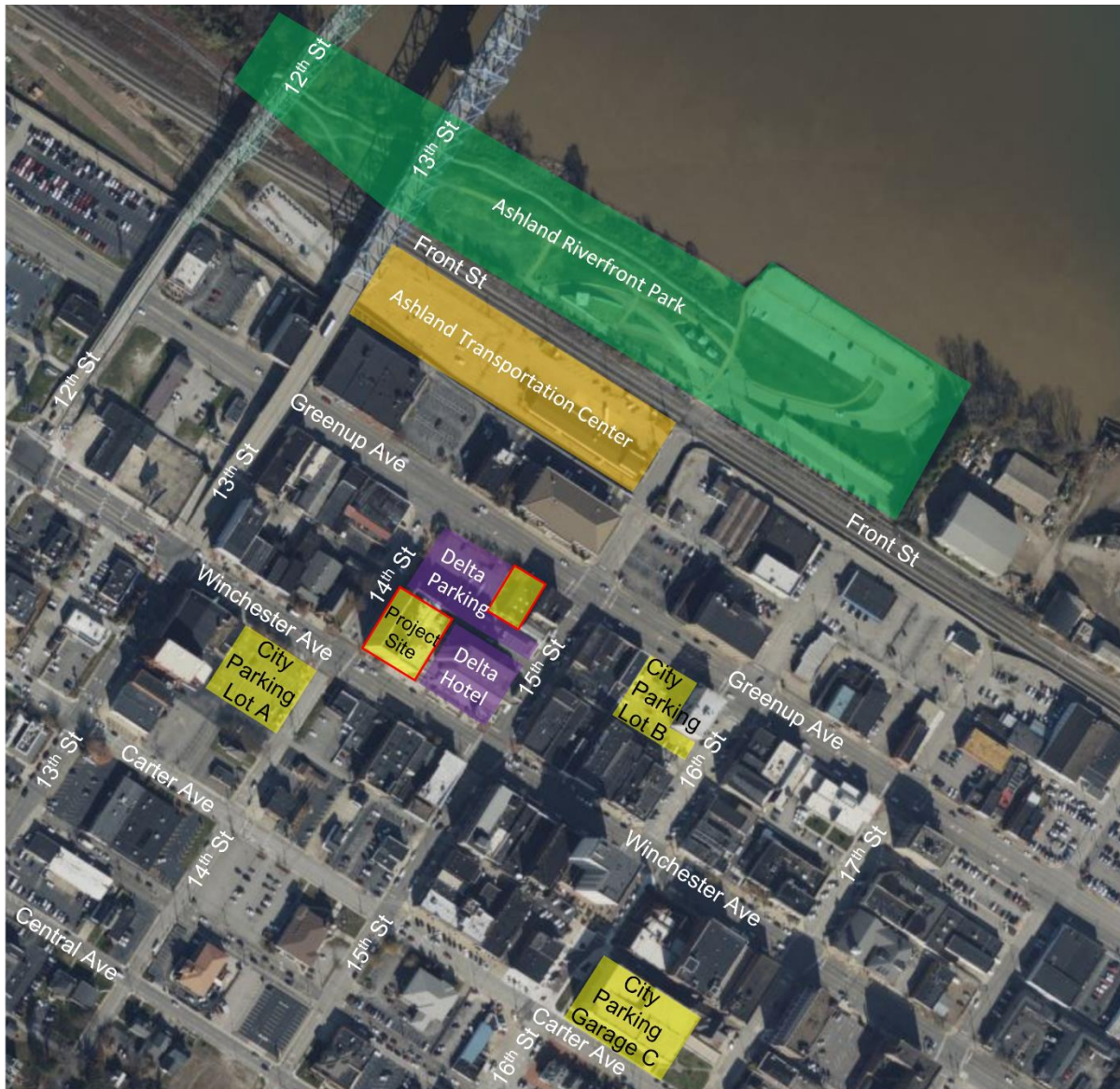
The feasibility study also identified a need for 250-275 parking spaces within a 5-minute walk from the Conference Center, as well as up to 550 spaces needed to support larger conferences a few times a year. The Conference Center could be designed to include a parking garage. Ashland also owns several locations annotated on the map below that could be further developed to support the Project:

Parking Lot A: 69 space lot on Winchester Avenue and 14th Street.

Parking Lot B: 47 space lot on Greenup Avenue.

Parking Garage C: 418 space garage on 16th Street and Carter Avenue.

Project Site Map and City Properties



The City is interested in private sector feedback on the feasibility of the Project and any recommendations on alternatives it should consider in a future solicitation document, as well as other revenue generating and financing options.

Funding sources available for the Project:

1. \$6.8 million of State TIF funds have been approved for this Project.
2. \$1 million AMLER grant to assist with funding the engineering and design of the Project. The effective period of the grant ends December 31, 2024.
3. \$750,000 Woodlands Foundation grant.
4. Revenue generated from the Project, to include event and meeting space fees, retail rental payments, and parking fees.
5. Naming rights and sponsorships.
6. Other creative revenue generating activities.

C. City-Wide Parking System Operations

Ashland understands there may be efficiencies gained in incorporating the City's entire parking system into this Project. Therefore, the City welcomes feedback on the costs and benefits of a privately operated public parking system. The City's parking system includes Parking Lots A and B, Parking Garage C, and 147 parking spaces at the Transportation Center. There are also a significant number of on-street parking spaces in the downtown area that are currently unmetered and free. However, the City is beginning to install parking kiosks to charge for on-street parking.

D. Event Space Management

In addition to the Partner providing operations and maintenance services for the Project, the City seeks feedback and interest in the Partner managing all City event space, to include downtown and at Riverfront Park and the Transportation Center.



IV. Information Sought

Ashland would like to ultimately enter into an agreement with a capable partner who can demonstrate market innovation and efficiency in designing, building, financing, operating, and maintaining a conference center and parking facility. This RFI is meant to spur developers, investors, operators, and designers into submitting feedback on the feasibility of the Project and information that would help the City best deliver the Project. While Ashland welcomes general feedback, the City would especially appreciate answers to the following questions:

1. What facility uses would you propose?
2. Are there other revenue streams the City should consider?
3. Which facility features and amenities are optimal for this community and market?
4. How should the facility be designed or operated to ensure long-term financial stability?
5. How would you develop, finance, and operate the facility?
6. What financing options could you provide?
7. What would the City's estimated initial and ongoing financial obligations be?
8. If the City continues pursuing the Project, it anticipates issuing a Request for Qualifications ("RFQ") to shortlist teams based on qualifications and then issuing a Request for Proposal ("RFP") to those shortlisted teams. Are there any adjustments to this approach or provisions in the RFQ or RFP that would best enable you to participate in the Project or provide your best value proposals?
9. What is your experience developing or operating conference centers, convention centers, retail spaces, or parking facilities?
10. What else should the City consider when developing this Project?

The City is requesting written responses as outlined below.

Interested parties may also schedule one-on-one meetings with the City to further explain their responses.



V. Instructions for Submitting Responses

A. Response Format

1. Cover Letter

Submissions should include a cover letter that summarizes the overall capability of the development team, including any partnerships considered for the Project and a succinct summary of their collective ability to design, build, finance, operate and/or maintain the Project.

2. Project Feedback and Vision

The response may include feedback on the Project options, as outlined in Section III and answers to the questions in Section IV.

3. Team Background and Experience

Please provide the background and experience of your team as well as descriptions of projects similar in size and scope to the one requested in this RFI. If the team is comprised of multiple individuals, companies and/or partnerships, Ashland would like to know details about past projects on which you have collaborated, if any, and whether the team has worked together on a public project. Please provide a barebones structure of the management and leadership of the team if multiple parties will be involved in the Project.

B. Method and Timing of Responses

Marketing materials from respondents are encouraged as part of a written response. All responses shall be submitted in electronic form (PDF format). Respondent's submission shall be delivered by email to scole@ashlandky.gov on or before August 25, 2023.

Interested parties may request individual meetings to help explain their response at a mutually convenient time and venue.

C. Disclosure

This RFI is an inquiry only and is not a formal solicitation or initiation of a procurement process. Submissions will not be formally evaluated or scored. No contract or agreement will be entered into as a result of this RFI. This RFI does not represent a commitment to issue an RFP in the future, or a commitment that any subsequent procurement, if issued, will reflect any delivery approach described herein. The City is not responsible for any costs associated with submissions or one-on-one meetings.

Conclusion

The City of Ashland is grateful for your interest in this Project and is excited to move forward in a collaborative partnership with a qualified Partner.