

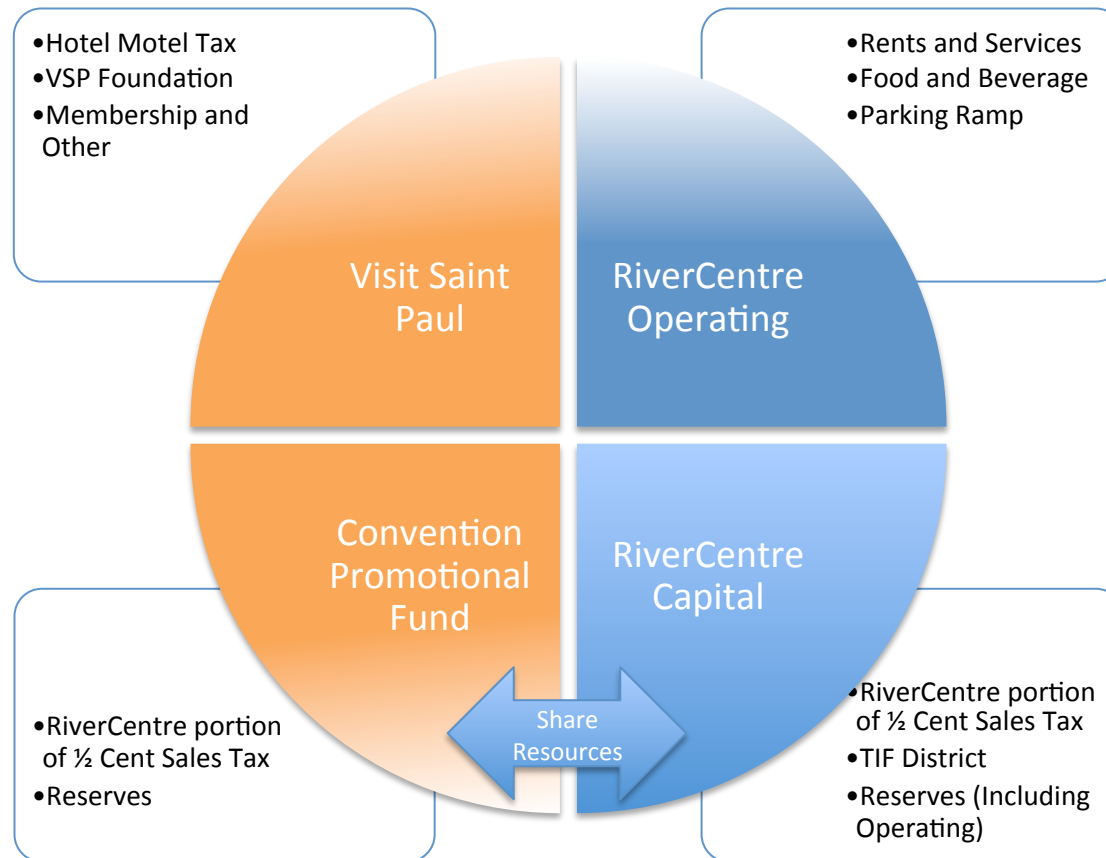
RiverCentre 2016 Capital Funding Summary

Overview

- Saint Paul RiverCentre, Roy Wilkins Auditorium and the RiverCentre Parking Ramps are city facilities
- Unlike many convention centers across the region and the country, the current expectations are that the RiverCentre covers its operating costs.
- In order to do this, we believe we need to offer a higher level of quality service and facilities so that a strong value proposition exists and that groups that may get a better “deal” elsewhere will elect to “pay” for the RiverCentre.
- Keeping the facility, now 17 years old, at a premium level is paramount to this plan.

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Funding Mechanisms



Capital Funding History

- For 10 years there were essentially no capital funds available for RC/Wilkins/RC Parking Ramp – Industry average is 1.5% of building value/year which would = \$1.5M/year at RC.
- One of the reasons for this was that the RiverCentre had a debt problem – With City help we were able to forgive the Civic Center sale leaseback and refinance the ramp debt from previous improvements (allowing for \$2M in additional repairs.)
- In 2009 the RiverCentre received its 1st RiverCentre Sales Tax from the original 40% that was to be dedicated to the RiverCentre complex.
- Also 2009 the Event TIF District was created– expectations were that the district would provide \$1.9M/Year to use for debt, equipment and capital purchases at RiverCentre and Payback Moose Seating/Dasher Loan with interest.
- 2015 Released Sales Tax from TIF is \$1,012,711.16

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Released Sales Tax - Event District TIF			
		RCVA	Moose Loan
Year 7	Oct-15	512,445.96	275,000.00
Year 6	Mar-15	500,265.20	
Year 6	Oct-14	241,390.12	275,000.00
		741,655.32	
Year 5	Mar-14	226,282.37	
Year 5	Oct-13	344,037.04	275,000.00
		570,319.41	
Year 4	Apr-13	397,517.47	
Year 4	Oct-12	695,131.86	275,000.00
		1,092,649.33	
Year 3	Mar-12	442,260.44	
Year 3	Oct-11	646,356.70	275,000.00
		1,088,617.14	
Year 2	Mar-11	753,068.92	
Year 2	Oct-10	680,935.01	275,000.00
		1,434,003.93	
Year 1 2009	Apr-10	943,788.88	
Year 1 2009	Oct-09	815,111.13	275,000.00
		1,758,900.01	

Opportunity Fund

- \$2.7M/year created in Vikings Stadium bill
- \$2.7 first 2 years
 - 2013 – 2014 \$700K Opp. Fund Each Year
- Lasted two years-No longer Opportunity Fund financing available

Convention Promotional Fund

- Share resources from remaining \$1M allocation with Capital, Equipment and Repair Fund
- \$500,000 budget in 2015 (Included \$250,000 of subsidy reserves)
- \$700,000 budget in 2016 (Includes \$200,000 of subsidy reserves)
 - With the \$670,000 that is committed for 2016 it will have an economic impact of \$33,372,333.10

2016 Convention Promotional Fund

Year of Event	Vendor	Client	Commitment
2016	Xcel Energy Center	US Figure Skating	\$ 100,000.00
2016	Various Vendors (Banners)	US Figure Skating	\$ 20,000.00
2016	RiverCentre	Minnesota Power Systems	\$ 6,000.00
2016	RiverCentre	Aging Services	\$ 21,775.00
2016	Big Ten Various Vendors	Big 10	\$ 20,000.00
2016	RiverCentre	League of MN Cities & Transforming G	\$ 46,125.00
2016	Midwest Poultry	Midwest Poultry	\$ 22,250.00
2016	Midwest Poultry	Midwest Poultry	\$ 3,950.00
2016	Intl District Energy Assn	Intl District Energy Assn	\$ 11,700.00
2016	Impark	MN Petroleum Parking	\$ 3,500.00
2016	HTK	Official Visitor's Guide	\$ 100,000.00
2016	Joint CVB commitment	TBEX	\$ 25,000.00
2016	Red Bull	Red Bull Crashed Ice	\$ 175,000.00
2016	RiverCentre	National Wellness Institute	\$ 15,000.00
2016	RiverCentre	North American Congress of Conserva	\$ 19,950.00
2016	Ryder Cup	Ryder Cup	\$ 22,400.00
2016	RiverCentre	SuperValue Rent	\$ 50,000.00
2016	RiverCentre	Children and Nature Network	\$ 7,350.00

Summer 2015 Leisure Travel Advertising Campaign Visit Saint Paul



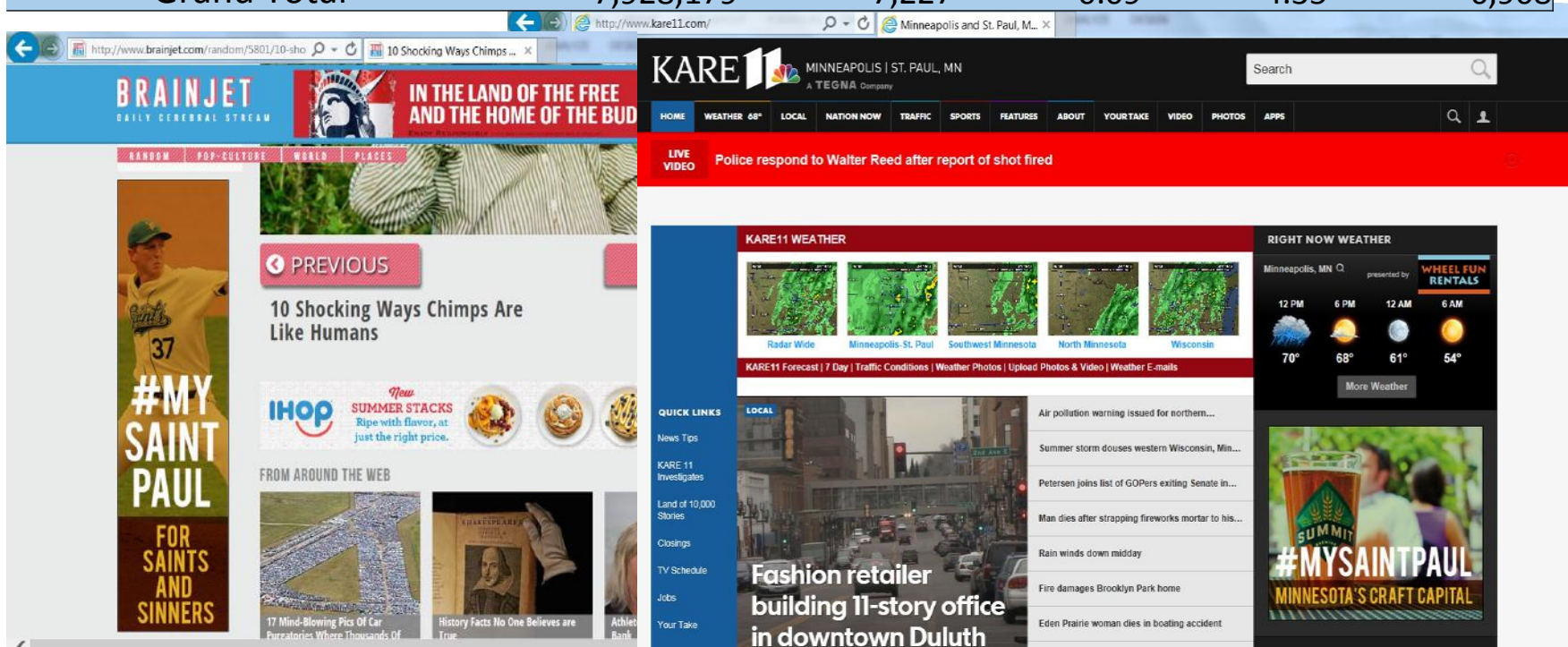
By the Numbers

- Digital –Total Impressions
7.9 mil
- Outdoor Billboard – Total Impr./week
655,847
- Airport Signage – 35 mil impr.
- MN Monthly/Visitor Guide –
June PolyWrap
42,000



Digital Results

Campaign	Tactic	Impressions	Clicks	CTR	eCPA	Activities
Visit Saint Paul	Intender	5,095,759	5,719	0.11	3.38	5,636
	Mobile	2,729,222	1,413	0.05	7.92	1,137
	Pre-Roll	103,198	95	0.09	14.81	135
Grand Total		7,928,179	7,227	0.09	4.35	6,908

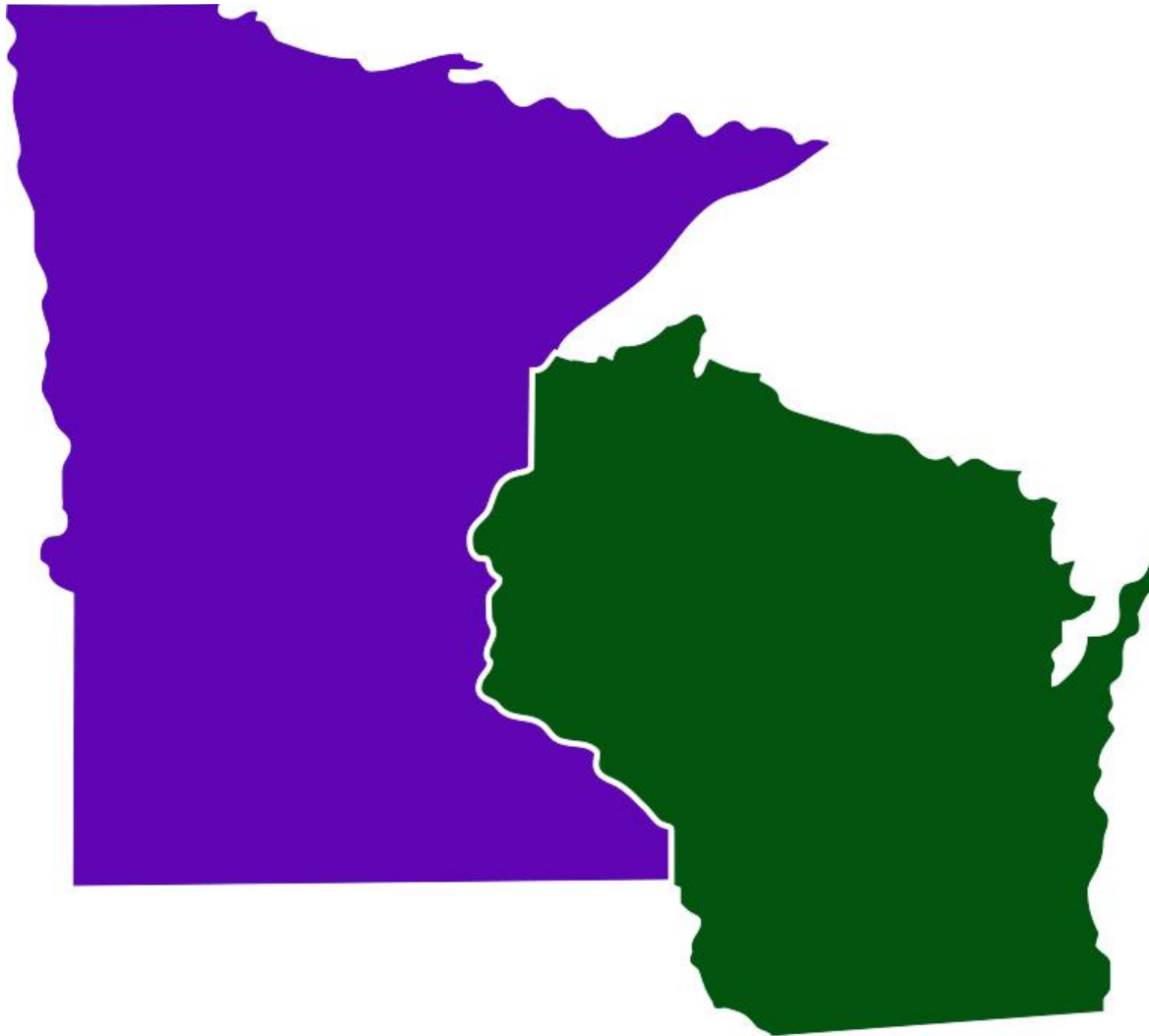


Impressions = Countable Displays
 Clicks = Selection by device
 CTR = Click Thru Rate
 eCPA = Cost Per Acquisition/inquiry
 Activities = Session Engagement

Digital Creative



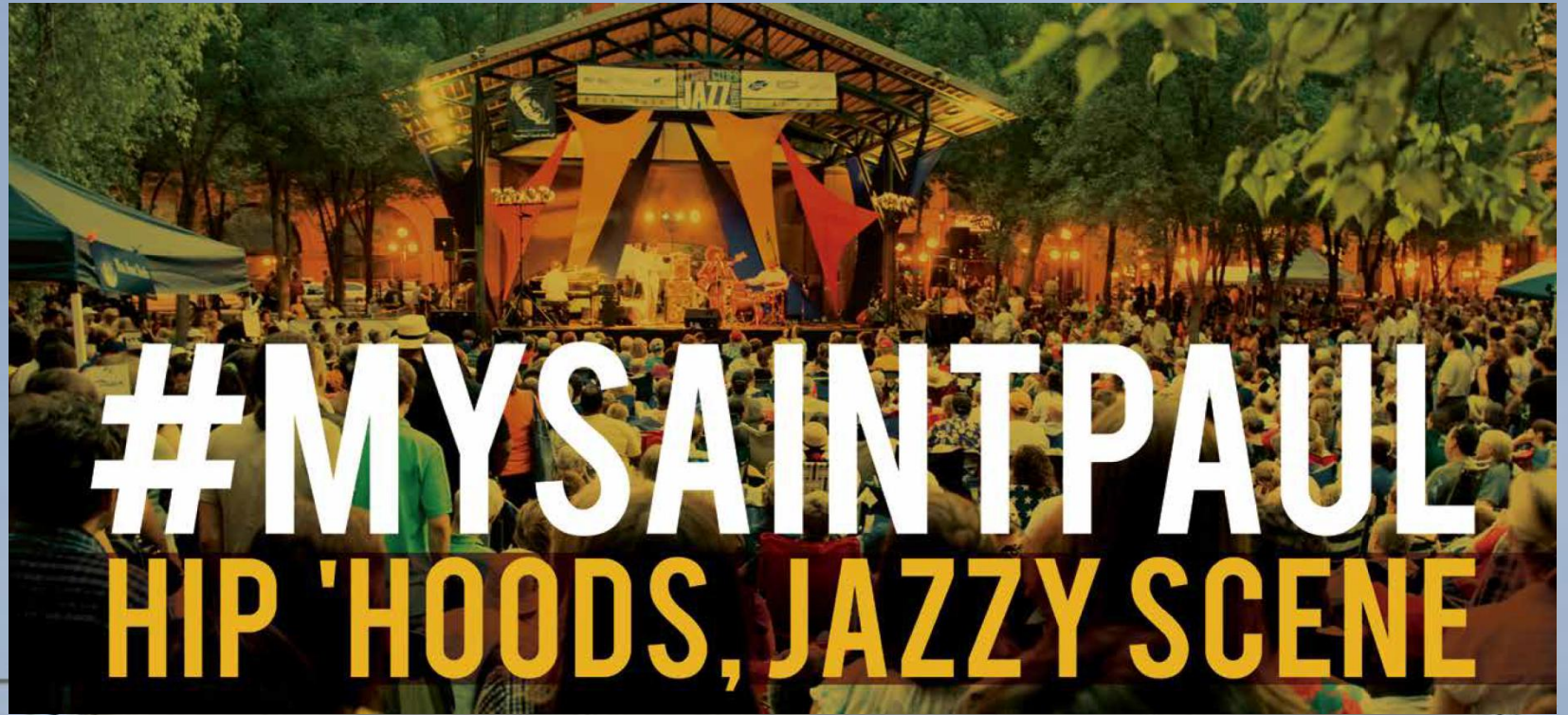
Billboard Locations



Duluth/Superior | Brainerd | Eau Claire
La Crosse | St. Cloud | Hennepin County



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MINNESOTA'S CRAFT CAPITAL



#MYSAINTPAUL
HIP 'HOODS, JAZZY SCENE



#MYSAINTPAUL
OLD WORLD, NEW ADVENTURE



#MYSAINTPAUL
SMALL TOWN CHARM, BIG CITY SOUL



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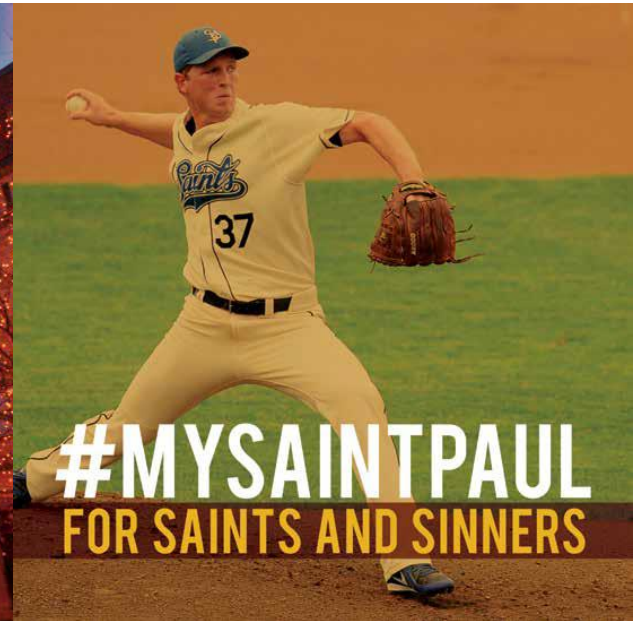
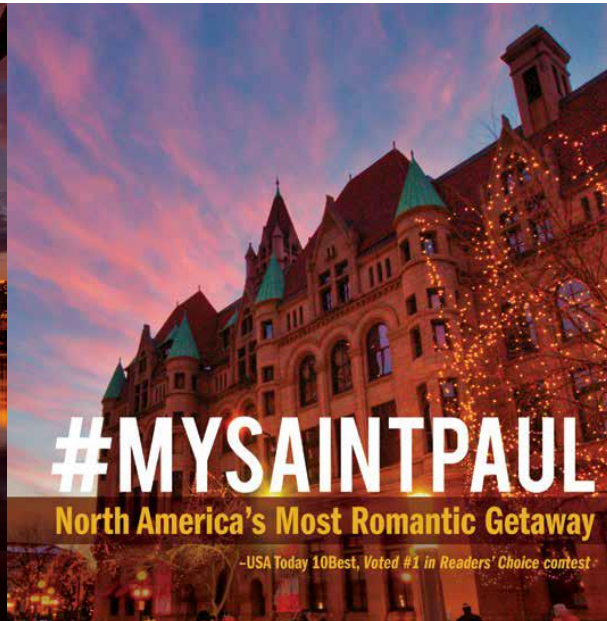
North America's Most Romantic Getaway



#MYSAINTPAUL
FOR SAINTS AND SINNERS

MSP Airport Signage

35 Million Impressions



#MySaintPaul Summer Tour

- Onsite at various festivals and events for 29 days throughout the summer
- Distributed 11,000 Saint Paul Road Trip can koozies.
- Handed out 4,200 Saint Paul Insider's Guides



*Estimates based on internet research

Capital Budget

2016 Capital Building and Equipment

Replace Ballroom/Meeting Room

lighting computer/dimmers and controls:

\$300,000

Parking Ramp Allowance

\$750,000

Potentially including:

General conditions and Mobilization

\$10,000.00

Partial Depth Concrete Repair; Floor

\$26,250.00

Partial Depth Concrete Repair; Vertical

\$50,625.00

Full Depth Concrete Repair; Floor

\$82,500.00

Expansion Joints

\$257,812.50

Epoxy Injection – Beams

\$60,937.50

Carbon reinforcement - Beams

\$261,875.00

\$750,000.00

Capital History Parking Ramp

2015 Ramp Repairs		
RiverCentre Parking Ramp Study		\$20,000.00
West Elevators Renovations and Upgrades		\$480,845.00
Plaza level Expansion Joint Repair and Related Concrete Repair		\$72,000.00
Plaza Level Concrete Slab Repair		\$10,000.00
Carbon Reinforcement, Epoxy Injection, and Concrete Repair - 3 Beams and Supporting Columns on Level 7		\$117,000.00
Middle Helix Concrete Repair at Level 5		\$8,000.00
Structural Ramp Repairs Design, Bid Specs and Project Management		\$20,000.00
Security Call Boxes		\$85,000.00
DVR's		\$20,000.00
Standpipe relocation from SouthEast Stairwell		TBD
Total		\$832,845.00
2014 Ramp Repairs		
Engineering and Design (Reigstad)		\$26,000.00
SW Stairwell Repair		\$98,650.00
Fencing to close SW Stairwell		\$10,000.00
Level 4-7 Column Repair		\$57,000.00
Lower Entrance Bridge Repair		\$108,000.00
Total		\$299,650.00

2013 Ramp Repairs		
Concrete Repairs		\$76,515.35
2012 Ramp Repairs		
Concrete Repairs, Trench Drain, NW Stairs		\$180,491.79
2011 Ramp Repairs		
Concrete Repairs, Replace Store Room, Drain Replacement, Traffic Topping		\$321,360.60
2010 Ramp Repairs		
Concrete Repairs, N Stairwell, Traffic Topping		\$231,004.68
2009 Ramp Repairs		
Concrete Repairs, N Stairwell, Traffic Topping		\$1,857,066.61
TOTAL 2009-2015		
Not including 2016 potential projects		\$3,740,934.03

RiverCentre Parking Repairs 2015

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Area of concern



Concrete deterioration under angle



Cracking/delamination of column



Close up of concrete under angle

RiverCentre Parking Ramp Study

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Parking Study Outline:

Observations and testing of the River Centre parking garage were performed over a two month period between March and April of 2015.

The parking ramp consists of a post-tensioned concrete deck, (the original button head slab system was replaced by ½” strand approximately 20 years ago), the original grouted button headed beams have not been repaired (approximately four (4) of the beams have been repaired on an emergency basis) and reinforced concrete columns.

- This structure was one of the first (if not the first) parking structure designed and built with the new technology (at the time) utilizing post-tensioning.
- One of the major vulnerabilities of early parking garages was lack of sloped floors for drainage.
- Another major vulnerability of this vintage structure is the lack of a double column design at the expansion joints.
- The public works Kellogg Bridge has directly affected the expedited deterioration of the entire north side of the structure because of its continuous leaking of high chloride level water through cracks and unsealed joints.
- The concrete spandrel panels that are framing the entire south and east sections of the garage should be replaced.
- Structural concrete repairs required at all levels including: partial and full depth vertical at columns, and walls, partial and full depth horizontal at slabs
- Following any major concrete repairs at either the plaza or any of the helixes, the traffic coating system should be replaced.
- The majority of the mechanical/electrical/operational systems are original or in a severely deteriorated condition.
- The stairwells and elevator lobbies and elevators are original/dated or in a deteriorated condition.

RiverCentre Parking Ramp Study



Recommendations:

The Study estimates that the useful life of the ramp is 2 to 5 years without a major capital investment. The study presents several options for the future of the RiverCentre Parking Ramp. Based on the age, the deteriorated conditions of the ramp and the repair estimates in options 1 through 3, the consensus recommendation is to select option 4.

Option 4 is to demolish the existing parking structure and rebuild it in the exact same location. Estimated cost for a new 1,500-1,600 stall parking garage with retail on the top-level could be \$20,000 to \$30,000 per stall or \$30,000,000 to \$48,000,000 (dependent on: finish, how high-tech, operations, service level). If the structure was designed/built for the integration of a multi-story hotel tower on top of the garage the extra cost would be in the 15% - 20% range. The estimated timeline from demolition to project completion is two to two and half years.

Action:

The recommendation is to make repairs to keep the ramp safe and open in the short term but to demolish and rebuild the ramp in the next 3 to 5 years. Visit saint Paul is forming a committee to work with the City over the next 2 years to discuss the issues around that option including financing and revenue loss during the time the ramp would be unavailable.

Capital/Promotional Fund Sources

2015 RiverCentre Budget

RC Sources

RC Sales Tax Allowance	\$1,000,000
TIF	\$1,000,000
Reserves	\$294,422
City Parking-Transit Fund	<u>\$500,000</u>
Total RC Sources	\$2,794,422

RC Uses

RC Debt	-\$1,044,422
Convention Promotional Fund	-\$700,000
Cap X/Equipment	<u>-\$1,050,000</u>
Total RC Uses	-\$2,794,422

- 2016 Operating Budget is expected to essentially break even after a positive position in 2015
- The RiverCentre ramp subsidizes the RC convention center operations – if not city would have to cover over \$2 million/year in operating losses
- Parking and Transit Fund benefits from Complex events (conventions, festivals, concerts, etc.) so logical to help pay for some RC ramp repairs and keep RC healthy and competitive.