

Status Report – May 2014



Project Program

The City of McKinney and the McKinney Community Development Corporation (MCDC) have entered into a development agreement with Champ Hospitality and The Beck Group (Champ/Beck) to develop a new Sheraton Hotel and Events Center at the former site of the partially completed Westin McKinney Hotel and CC.

The revised program consists of a four-story (186 key) Hotel and a 20,000 SF Conference and Events Center. The proposed Sheraton hotel will contain a three-meal full service restaurant and a lobby/bar, Link® business lounge, and a Sheraton Club® executive traveler's lounge on the 4th floor.

The Hotel will utilize existing infrastructure and structural framing that was constructed in 2008 by the previous developer for a Westin Hotel. That project was only partially completed and was foreclosed upon in 2009. The new Sheraton program consists of one less floor of hotel structure and a smaller events center as noted below:

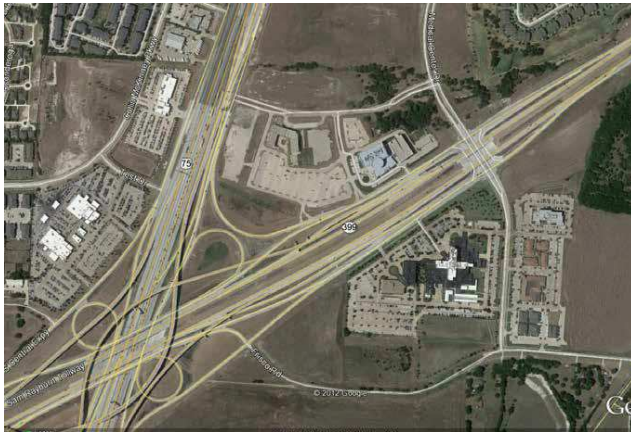
Sheraton McKinney and Events Center program:

Ground Floor- Hotel and Conference Area	33,615 SF
Ground Floor- Events Center	20,640
Hotel Floors 2-4 @ 29,075 SF / Floor	<u>87,225</u>
Total Program	141,480

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Project Site

The hotel is strategically located at the intersection of Central Expressway (US 75) and the Sam Rayburn Toll Road with an estimated 250,000 vehicles passing daily. The placement of the development at the crossroads of two major highways in North Texas makes for excellent visibility and accessibility from many areas of the Dallas / Fort Worth Metroplex.



Infrastructure

Infrastructure improvements are largely in place from the previous construction, and includes substantial underground retention of storm water utilizing over-sized 10' corrugated steel pipe. This feature frees up the site utilization for maximum flexibility and increased site utilization efficiency. Existing surface parking of 366 spaces exceeds the building code requirement of 320 spaces. The City has re-platted the property, with the Hotel and Events Center occupying a 6.5 acre site (Lot 3R).

Development Agreement

Between April, 2012 and December, 2012, Champ/Beck negotiated a Development Agreement with McKinney and MCDC defining the obligations of Champ/Beck, City of McKinney and MCDC in the development of the Hotel and Events Center. This Agreement has been executed, along with lease and incentive agreements. As of June 2013, both parties have finalized certain exhibits to these documents, including the Condominium Declaration.

Design Goals

- Provide state-of-the-art full service Hotel and Conference Center which appeals to the business traveler, corporations, group functions, associations, and local users.
- Right-size the Hotel and Conference Center to the marketplace, using average daily rates and RevPar expectations that are realistic within today's market condition.
- Create a significant "gateway" to the City of McKinney with iconic architecture that is highly visible from the surrounding highways and integrates with future Gateway Boulevard developments.

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Project Team

Developer	Champ-Beck Development, LLC
Hotel Owner	Gateway Hotel One, Ltd.
Events Center Owner	City of McKinney
Economic / Community Development	MEDC / MCDC
City's Representative	Aguirre Roden
Design Architect	three Living Architecture
Architect of Record	Beck Architecture
CM@R / General Contractor	HC Beck, Ltd.
Structural Engineer	Campbell & Assoc
Mechanical Engineer	S. Toub and Associates
Electrical Design/ Build	Prism Electric
Civil Engineer	Kimley Horn
Interior Design	Michelle Meredith & Associates
Landscape Arch	TBG Partners
Kitchen	Ricca Newmark

Rendering

View from NW



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Aerial Photos



BECK

Sheraton Hotel & Event Center

Print #140514758
Date: 05/14/14
Lat/Lon: 33.162402 -96.641040

Aerial Photography, Inc. 954-568-0484

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BECK

Sheraton Hotel & Event Center

Print #140514760
Date: 05/14/14
Lat/Lon: 33.162402 -96.641040

 Aerial Photography, Inc. 954-568-0484

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BECK

Sheraton Hotel & Event Center

Print #140514761

Date: 05/14/14

Lat/Lon: 33.162402 -96.641040

 Aerial Photography, Inc. 954-568-0484

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Construction Photos



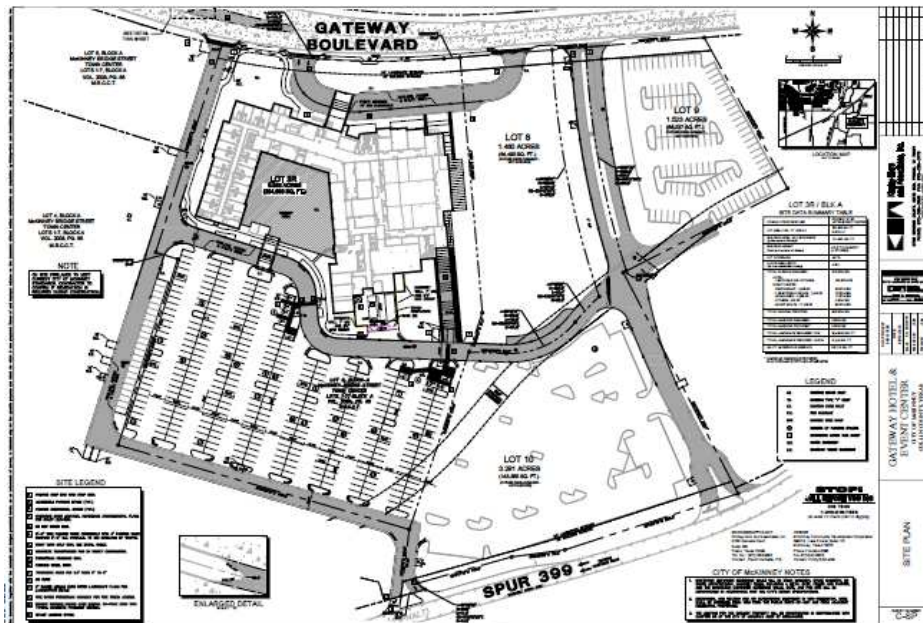
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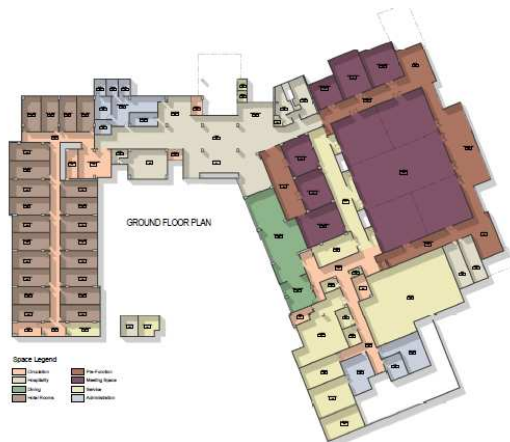
<u>Program Breakdown</u>	<u>GSF</u>
Lobby and Public Areas	2,446
Food and Beverage Outlets	3,906
Events Center – Ballrooms/Meeting	20,640
Indoor Fitness	829
Administration	2,460
Food Production	3,192
Receiving / Laundry/ Maint	3,012
<u>MEP / Fire Room / Misc.</u>	<u>2,085</u>
Total – Public Areas:	38,812
Guestrooms (Floors 1-4)	102,668
Total Hotel and Events Center	141,480 GSF

Site Plan

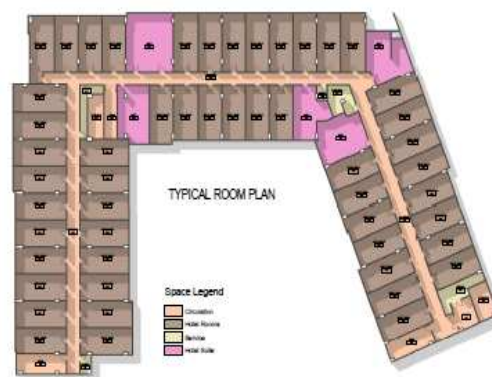


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Ground Floor Plan



Typical Floors 2-4



Project Schedule

See Project Schedule attached.

Note:

The Developer reports that the project is on schedule for Substantial Completion by 2/10/15. Concrete placement of the 5th Floor Roof (West) on the will be completed on 3/28. Multiple drawing packages and partial phased permits continue to be coordinated with the City in order to maintain critical construction activities. Final building permit set was issued on 3.12.14.

A/E Document Status

<u>Phase</u>	<u>% Complete</u>
Feasibility (Concept) Design	100 %
Design Development	100 %
Construction Documents	95 %
Bidding & Negotiation	100 %
Construction Administration	25 %

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Project Budget

Sheraton Hotel & Events Center Project Budget Summary		Champ Hospitality	BECK
4.10.14			
Rooms	187		
Total SF	141,480		
			GMP Budget
			4.10.14
Construction Hard Cost (see GMP)			26,062,224
Franchise Fees			85,000
Design & Predevelopment			270,000
A& E			776,722
FF&E Guest Rooms & Corridors			1,185,527
FF&E meeting space, Lobby, rest			1,100,000
OS&E-Hotel & Conference center			1,803,909
Food & Beverage Supplies			756,653
F & B Equipment			649,858
Laundry			191,042
Technology			943,497
Preopening			849,069
Finance/Legal/Appraisal/Tax/Reserves/Fees			2,152,201
Development Fee			1,386,872
Project Total			38,212,574

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GMP Construction Budget

Bid Package	Total
General Requirements	695,479
Demolition	122,683
Substructure Concrete	489,220
Superstructure Concrete	1,086,334
Post Tensioning Repair	149,055
Masonry & Stone	679,146
Turnkey Steel	1,451,357
Ornamental Metals	135,596
Finish Carpentry & Millwork	700,000
Waterproofing & Joint Sealants	314,150
Metal Panels	60,870
Roofing	641,478
Spray Fireproofing	42,650
Frames, Doors, Hardware	717,495
Glass	859,102
Drywall & Acoustical	2,036,298
Plastering	288,207
Tile	754,507
Flooring	199,552
Painting & Wall Covering	399,272
Signage	40,000
Partitions & Accessories	185,006
Operable Partitions	103,350
Lockers	6,508
Flagpoles	9,800
Swimming Pools	80,000
Elevators	391,835
Chute Systems	17,156
Fire Protection Systems	297,300
Mechanical	5,733,652
Electrical	3,096,268
Earthwork	226,276
Termite Treatment	1,548
Concrete Paving & Site Concrete	156,970
Striping & Signing	12,308
Site Specialties	34,215
Landscaping & Irrigation	238,807
Site Utilities (Water, Sewer, Storm)	121,170
General - Exterior Enhancements - reimburs	(268,267)
Subtotal	22,306,353
General Conditions	1,548,259
Builders Risk Insurance	30,046
Sub Guard	315,971
General & Excess Liability Insurance	242,244
Payment & Performance Bond	263,309
Fee	789,927
Contractor Contingency	566,115
Grand Total	26,062,224

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Project Expenditures

SUMMARY		Hotel	EC	Total	
Total Draws to Date		\$ 4,926,650.26	\$ 730,793.21	\$5,657,443.46	
Total Paid by City	Pre-Development (Oct 2012)	\$ 229,499.63	\$ 40,499.94	\$269,999.57	
	Draw 1	\$ 315,534.95	\$55,682.64	\$371,217.59	
	Draw 2	\$ 328,926.42	\$58,045.84	\$386,972.26	
	Draw 3	\$ 396,215.51	\$ 68,306.14	\$464,521.63	
	Draw 4	\$ 193,325.17	\$ 38,356.25	\$231,681.43	
	Draw 5	\$ 141,577.45	\$ 27,222.70	\$168,800.15	
	Draw 6	\$ 564,664.37	\$ 140,302.98	\$704,967.35	
	Draw 7	\$ 581,493.63	\$ 76,763.58	\$658,257.23	
	Draw 8	\$ 617,205.49	\$ 53,518.53	\$670,724.01	
	Draw 9	\$ 854,400.45	\$ 67,695.58	\$922,096.03	
	Total	\$ 4,222,843.08	\$ 626,394.18	\$4,849,237.25	85.7143%
Total Paid by Developer's Equity	Franchise Fee	\$ 72,250.00	\$ 12,750.00	\$85,000.00	
	Draw 1	\$ -	\$ -	\$0.00	
	Draw 2	\$ 73,410.17	\$ 12,954.74	\$86,364.90	
	Draw 3	\$ 66,035.92	\$ 11,384.36	\$77,420.27	
	Draw 4	\$ 32,220.86	\$ 6,392.71	\$38,613.57	
	Draw 5	\$ 23,596.24	\$ 4,537.12	\$28,133.36	
	Draw 6	\$ 94,110.73	\$ 23,383.83	\$117,494.56	
	Draw 7	\$ 96,915.61	\$ 12,793.93	\$109,709.54	
	Draw 8	\$ 102,867.58	\$ 8,919.75	\$111,787.34	
	Draw 9	\$ 142,400.08	\$ 11,282.60	\$153,682.67	
	Total	\$ 703,807.18	\$ 104,399.03	\$808,206.21	14.2857%

Project Update / Action Items

1. Beck Architecture released the Issue for Construction set of drawings on 5/8/14. This set incorporates permit comments from the City.
2. Construction Documents for the building and Design Development drawings for the Interiors are being sent to Starwood Hotels for its review.
3. Construction pricing was updated on April 10th by HC Beck Construction and a Guaranteed Maximum Price (GMP) has been determined. See revised budget included in this report.
4. Exterior design enhancements of the hotel skin have been reviewed and approved by City Council. Beck Architecture has submitted the roof screens for Council approval.

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5. Exterior signage package is being developed and will be submitted for variance consideration due to size and location.
6. On site activities expected in the next three weeks include:
 - Install new Domestic and Fire Lines, along with Storm Line tie-in
 - Complete drilled piers for Events Center (approximately 80% complete)
 - Steel activities begin onsite the week of June 9th.
 - Pour slab-on-grade at Infill Areas B/C.
 - Continue drywall framing of floors 1-4 along with exteriors
 - Begin installing door frames
7. Project Meetings are being held weekly, on Thursdays. The next meeting will be held at 10:00 on 5/29/14 at the jobsite.

Submitted By:

Bob Kuykendall, AIA, MCR, LEED AP
Sr. Development Officer
Champ-Beck Development, LLC

ID	Name	Duration	Start	Finish	May wk 19	Jun wk 22	Jul wk 27	Aug wk 31	Sep wk 35	Oct wk 40	Nov wk 44	Dec wk 48	Jan 2015 wk 1	Feb wk 5
72	Preconstruction	176d	1/27/14	10/2/14										
118	Fabrication & Delivery	161d	2/17/14	10/2/14										
119	Fab & Deliver Structural Steel	21d	5/12/14 (A)	6/10/14										
146	Construction	328d	10/8/13	1/27/15										
622	Events Center	180d	5/6/14	1/27/15										
623	Structure	58d	5/6/14	7/30/14										
630	CO.EVT.ST.60 Erect Structural Steel	30d	6/11/14	7/23/14										
631	CO.EVT.ST.70 Install Metal Deck	10d	7/10/14	7/23/14										
633	Skin & Roof	71d	7/24/14	10/31/14										
634	CO.EVT.SR.10 Upper Wall Frame & Sheath	10d	7/24/14	8/6/14										
635	CO.EVT.SR.20 Ground Level Framing & Sheath	15d	8/7/14	8/27/14										
639	CO.EVT.SR.40 Install Lower Roofing	8d	8/28/14	9/9/14										
652	Interiors	127d	7/24/14	1/27/15										
653	Meeting Space	127d	7/24/14	1/27/15										
682	Meeting Space Finishes	122d	7/31/14	1/27/15										
685	CO.EVT.FIN.30 Sheetrock One Side	10d	9/10/14	9/23/14										
686	CO.EVT.FIN.40 Sheetrock Second Side	5d	9/24/14	9/30/14										
687	CO.EVT.FIN.50 Frame Hard Ceilings	15d	10/1/14	10/21/14										
688	CO.EVT.FIN.60 Rock Hard Ceilings	10d	10/22/14	11/4/14										
691	CO.EVT.FIN.70 Tape/Bed/Paint Walls	9d	11/5/14	11/17/14										
692	CO.EVT.FIN.80 Tape/Bed/Paint Ceilings	10d	11/18/14	12/3/14										
693	CO.EVT.FIN.85 Install Vinyl Wall covering	10d	12/4/14	12/17/14										
694	CO.EVT.FIN.100 Install Millwork	5d	12/18/14	12/24/14										
695	CO.EVT.FIN.160 Install Carpet	10d	12/29/14	1/13/15										
697	CO.EVT.FIN.130 Final Painting	5d	1/14/15	1/20/15										
698	CO.EVT.FIN.140 Final Clean	5d	1/21/15	1/27/15										

Project title	Sheraton Hotel & Event Center		Dated	5/2/14	Drawn by	Beck	Programme No	167826
Programme title			Rev No		Rev comments			
Client	Gateway Hotel One, Ltd.							

