

## Status Report – Aug 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 Event 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 Event 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 4<sup>th</sup> 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 Conference 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

## Status Report – Aug 2014

### 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 Conference 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.

## Status Report – Aug 2014

### Project Team

Developer  
Hotel Owner  
Events Center Owner  
Economic / Community Development  
City's Representative  
Design Architect  
Architect of Record  
CM@R / General Contractor  
Structural Engineer  
Mechanical Engineer  
Electrical Design/ Build  
Civil Engineer  
Interior Design  
Landscape Arch  
Kitchen

Champ-Beck Development, LLC  
Gateway Hotel One, Ltd.  
City of McKinney  
MEDC / MCDC  
Aguirre Roden  
three Living Architecture  
Beck Architecture  
HC Beck, Ltd.  
Campbell & Assoc  
S. Toub and Associates  
Prism Electric  
Kimley Horn  
Michelle Meredith & Associates  
TBG Partners  
Ricca Newmark

### Rendering

#### View from NW





# Status Report – Aug 2014

## Aerial Photos



*Sheraton Hotel & Event Center*

Print #140813806  
Date: 08/13/14  
Lat/Lon: 33.162402 -96.641040

 Aerial Photography, Inc. 954-568-0484

## Status Report – Aug 2014



BECK

*Sheraton Hotel & Event Center*

Print #140813804

Date: 08/13/14

Lat/Lon: 33.162402 -96.641040



Aerial Photography, Inc. 954-568-0484



# Status Report – Aug 2014



*Sheraton Hotel & Event Center*

Print #140813803

Date: 08/13/14

Lat/Lon: 33.162402 -96.641040

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## Status Report – Aug 2014

### Model Room



## Status Report – Aug 2014

### Exterior Mockup



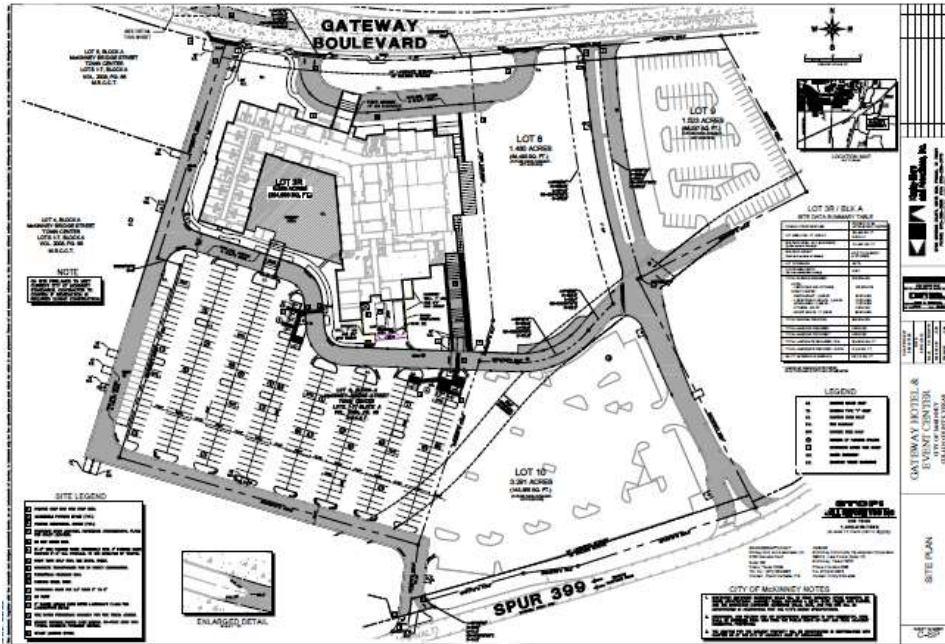
### **Program Breakdown**

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>
<b>Total – Public Areas:</b>	<b>38,812</b>
<b>Guestrooms (Floors 1-4)</b>	<b>102,668</b>
<b>Total Hotel and Events Center</b>	<b>141,480 GSF</b>



# Status Report – Aug 2014

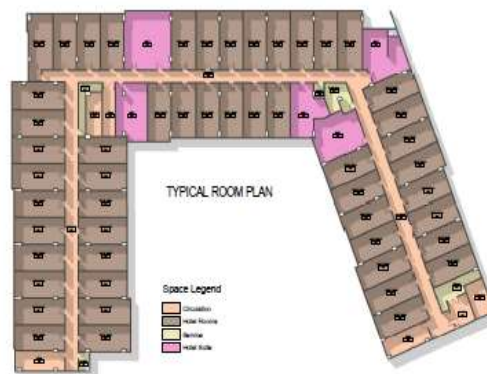
## Site Plan



## Ground Floor Plan



## Typical Floors 2-4



# Status Report – Aug 2014

## Project Schedule

See separate attachment for Project Schedule. Note: Developer reports that the project remains on schedule for Substantial Completion by 2/10/15.

**Rain days documented to date:** 7

A/E Document Status	Phase	% Complete
	Feasibility (Concept) Design	100 %
	Design Development	100 %
	Construction Documents	100 %
	Bidding & Negotiation	100 %
	Construction Administration	55 %

## Project Budget

Sheraton Hotel & Events Center		Champ Hospitality BECK		
Project Budget Summary				
6.5.14				
Rooms	187	Exterior		
Total SF	141,480	Enhancements		
	GMP Budget	C.O. #1	Revised Budget	
	4.10.14	5.12.14	6.5.14	
Construction Hard Cost (see GMP)	26,062,224	\$ 268,267	26,330,491	
Franchise Fees	85,000		85,000	
Design & Predevelopment	270,000		270,000	
A& E	776,722	52,500	829,222	
FF&E Guest Rooms & Corridors	1,185,527		1,185,527	
FF&E meeting space, Lobby, rest	1,100,000		1,100,000	
OS&E-Hotel & Conference center	1,803,909		1,803,909	
Food & Beverage Supplies	756,653		756,653	
F & B Equipment	649,858		649,858	
Laundry	191,042		191,042	
Technology	943,497		943,497	
Preopening	849,069		849,069	
Finance/Legal/Appraisal/Tax/Reserves/Fees	2,152,201	\$ (10,000)	2,142,201	
Development Fee	1,386,872		1,386,872	
<b>Project Total</b>	<b>38,212,574</b>	<b>\$ 310,767</b>	<b>38,523,341</b>	

# Status Report – Aug 2014

## Construction Budget

<b>5000 - Construction</b>		
<b>5000.000 - Construction Sub-Total</b>		
	<b>5000.00 - Preconstruction</b>	\$ 194,706
	<b>5001.00 - General Conditions</b>	\$ 1,366,831
	<b>5001.10 - General Requirements</b>	\$ 695,479
	<b>5002.41 - Demolition</b>	\$ 122,468
	<b>5003.01 - Substructure Concrete</b>	\$ 489,220
	<b>5003.02 - Superstructure Concrete</b>	\$ 1,086,334
	<b>5003.03 - Post Tensioning Repair</b>	\$ 149,055
	<b>5004.00 - Masonry</b>	\$ 679,146
	<b>5005.00 - Metals</b>	\$ 1,451,357
	<b>5005.70 - Ornamental Metals</b>	\$ 135,596
	<b>5006.00 - Carpentry</b>	\$ 700,000
	<b>5007.00 - Waterproofing</b>	\$ 314,150
	<b>5007.42 - Metal Panels</b>	\$ 60,870
	<b>5007.50 - Roofing</b>	\$ 641,478
	<b>5007.81 - Spray Fireproofing</b>	\$ 42,650
	<b>5008.00 - Doors and Windows</b>	\$ 717,495
	<b>5008.40 - Glass</b>	\$ 828,918
	<b>5009.10 - Framing &amp; Drywall Systems</b>	\$ 2,036,298
	<b>5009.23 - Plastering</b>	\$ 288,207
	<b>5009.50 - Tile and Flooring</b>	\$ 754,507
	<b>5009.60 - Flooring</b>	\$ 199,552
	<b>5009.90 - Painting</b>	\$ 399,272
	<b>5010.14 - Signage</b>	\$ 40,000
	<b>5010.20 - Partitions &amp; Accessories</b>	\$ 185,006
	<b>5010.24 - Operable Partitions</b>	\$ 103,350
	<b>5010.50 - Lockers</b>	\$ 6,508
	<b>5010.75 - Flagpoles</b>	\$ 9,800
	<b>5013.00 - Swimming Pool</b>	\$ 80,000
	<b>5014.00 - Elevators</b>	\$ 391,835
	<b>5014.91 - Chute Systems</b>	\$ 17,156
	<b>5021.00 - Fire Protection Systems</b>	\$ 297,300
	<b>5024.00 - Mechanical</b>	\$ 5,733,652
	<b>5026.00 - Electrical</b>	\$ 3,096,268
	<b>5031.00 - Earthwork</b>	\$ 226,491
	<b>5031.31 - Termite Treatment</b>	\$ 1,548
	<b>5032.13 - Site Concrete</b>	\$ 156,970
	<b>5032.17 - Striping &amp; Signing</b>	\$ 12,308
	<b>5032.39 - Site Specialties</b>	\$ 153,618
	<b>5032.80 - Landscaping</b>	\$ 179,989
	<b>5033.00 - Site Utilities</b>	\$ 60,585
	<b>Total 501.000 - Construction Sub-Total</b>	\$ 24,105,973
	<b>5090.00 - Construction Contingency</b>	\$ 566,115
	<b>5096.00 - Insurance &amp; Bonds</b>	\$ 860,428
	<b>5099.00 - Contractor's Fee (Profit)</b>	\$ 797,975
	<b>5100 - Construction - Change Orders</b>	
	<b>Subtotal</b>	\$ 26,330,491
	<b>Retainage</b>	
	<b>Total 5010 - Construction Amount less Retainage</b>	\$ 26,330,491



## Status Report – Aug 2014

### Project Expenditures

SUMMARY		Hotel	EC	Total	
<b>Total Draws to Date</b>		<b>\$7,116,821.95</b>	<b>\$ 2,480,214.40</b>	<b>\$9,597,036.33</b>	
<b>Total Paid by City</b>	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	\$ 396,215.49	\$ 68,306.14	\$464,521.63	
	Draw 4	\$ 193,325.18	\$ 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	\$ 581,493.65	\$ 76,763.58	\$658,257.23	
	Draw 8	\$ 617,205.48	\$ 53,518.53	\$670,724.01	
	Draw 9	\$ 855,691.19	\$ 67,923.35	\$923,614.54	
	Draw 10	\$ 1,043,288.17	\$ 318,534.77	\$1,361,822.95	
	Draw 11	\$ 935,232.52	\$ 1,227,231.50	\$2,162,464.02	
	<b>Total</b>	<b>\$6,202,654.52</b>	<b>\$ 2,172,388.23</b>	<b>\$8,375,042.73</b>	<b>87.2670%</b>
<b>Total Paid by Developer's Equity</b>	Franchise Fee	\$ 72,250.00	\$ 12,750.00	\$85,000.00	
	Draw 1	\$ -	\$ -	\$0.00	
	Draw 2	\$ 73,410.16	\$ 12,954.74	\$86,364.90	
	Draw 3	\$ 66,035.91	\$ 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	\$ 102,867.59	\$ 8,919.75	\$111,787.34	
	Draw 9	\$ 142,615.20	\$ 11,320.56	\$153,935.76	
	Draw 10	\$ 73,686.34	\$ 24,325.12	\$98,011.45	
	Draw 11	\$ 136,458.80	\$ 179,064.06	\$315,522.86	
	<b>Total</b>	<b>\$ 914,167.44</b>	<b>\$ 307,826.17</b>	<b>\$1,221,993.61</b>	<b>12.7330%</b>

### Project Update / Action Items

1. The Model Room was reviewed and approved by Starwood during the week of 7/21. Minor revisions are being made to the carpet and artwork.
2. Exterior signage is being finalized by the developer and will be submitted to the City prior to August 20<sup>th</sup> for variance.
3. A mockup of the exterior skin materials has been constructed next to the trailer. See photos. The mortar for the dark brick is being changed, along with the detail for attaching fabric at the awnings.

## Status Report – Aug 2014

4. Onsite activities expected in the next three weeks include:
  - TPO roofing is complete on the Hotel and is being installed over the Event Center and Back of House areas.
  - Continue drywall framing of floors 1-4 along with exterior sheathing.
  - Waterproofing of sheathing is nearing completion. Plaster to begin and will be completed in three weeks. Brick masonry about to start.
  - Service elevator arrives on 8/22 and passenger elevators arrive on 8/27.
  - Pour concrete at service yard.
  - Set chillers and AHU's in late August.
  
5. Project Meetings are being held weekly, on Thursdays. The next meeting will be held at 10:00 on 8/21/14 at the jobsite.

### Submitted By:

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