



## LATEST NEWS

### Garland breaks ground on full-service hotel

Hyatt intended to bring in conventions – and tax revenue

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Garland is preparing to tick yet another item off its development wish list: a full-service, convention-quality hotel.

"It's a real feather in our cap," Mayor Bob Day said of the Hyatt Place that's due to open in late 2008 on the Bush Turnpike next to the Garland school district's Special Events Center.

Mr. Day and other Garland officials broke ground this month on the project, which will have 151 suites and nearly 15,000 square feet of meeting space.

They expect the hotel to bring new sales tax revenue to the city and additional events center bookings and revenue to the school district.

"It will open us up to a different market," said Tim Mabe, the events center's general manager. "Without an adjacent hotel, it's difficult to attract conferences and conventions that stay multiple days."

The center, which consists of a large arena and smaller conference facilities, is currently booked 70 to 75 percent of the time that the facilities are available, which excludes days devoted to tear-down and make-ready efforts.

In the fiscal year that began Oct. 1, the center will probably host about 600 events, Mr. Mabe said, a number that he said would probably double after the hotel opens.

"If we could attract just one large convention each month – and I know we'll do more than that – it would have a dramatic impact on the facility and the community," Mr. Mabe said. "It would be like bringing a new industry to town."

It's good to attract new businesses because they generate revenue, but they also incur costs in the form of infrastructure and city services. Convention and conference visitors, by contrast, "bring in a lot of money and then they leave," Mr. Mabe said. "We're looking forward to getting that kind of business."

Mr. Mabe said conventiongoers spend an average of about \$300 a day **Also Online**



**Hyatt Place Hotels**  
The Hyatt Place Hotel that will be built off the Bush Turnpike in Garland will have 151 suites, nearly 15,000 square feet of meeting space, a business center, a gym and an indoor pool

on room, food, refreshments and other purchases and stay an average of four days. He hopes to draw events that will bring 1,000 to 3,000 visitors at a time.

[Map: Site of new Hyatt hotel in Garland \(.pdf\)](#)

"A thousand visitors for four days would mean \$1.2 million," Mr. Mabe said.

The Special Events Center, as part of the school district, doesn't serve alcoholic beverages, but the hotel will.

"And that's important for events in the evening," Mr. Mabe said. "That's great for us. We can shift a whole group to the hotel. And it's great for them."

The Hyatt Place is the first of two hotels planned for the 17-acre site. The second will be less elaborate, with rooms instead of suites. A construction timetable and other details of that project have not been announced.

The City Council debated for months before settling on an incentive package for the hotels, which are being developed by Second Century Investments.

For each hotel, the city will waive 100 percent of the hotel/motel tax for the first 14 years after opening, 80 percent for years 15 through 17, and 25 percent for years 18 through 20.

The city will abate property tax on each hotel, beginning when each opens, at a rate of 100 percent for the first four years and 80 percent for years five and six.

The incentives are capped at \$4.6 million for the Hyatt Place and \$3.9 million for the second hotel, a total of \$8.5 million.

Mr. Day said the incentives make sense because of the revenue the hotels will generate. After all, he said, without the hotels, no hotel/motel tax would be generated.

## **HYATT PLACE IN GARLAND**

**Construction cost:** \$20 million

City Council member Larry Jeffus, who was elected last June, questioned the size of the incentives in council discussions last fall.

**City incentives to developer:** Up to \$4.6 million in hotel-motel and property tax breaks to be realized over a period of years

"I have always been someone who is tight with the city's money," he said. "I'm glad the hotel's coming, and I'm pleased with the design, but I would like to have been involved earlier. Then I might be more comfortable with it."

A high level of interest in the hotel might persuade him, though.

**Stories:** Six

"My misgivings are a little abated because things are moving," he said.

**Suites:** 151

For example, Paul Mayer, president of the Garland Chamber of Commerce, confirmed this week that the Fort Worth Flyers of the NBA's D League are considering playing their 25 home games per season at the Special Events Center.

**In-suite amenities:** High-speed wi-fi Internet access, 40-inch flat-panel high-definition TVs that will integrate with laptops and other electronic devices

Dr. Bernard Weinstein of the Center for Economic Development and

Research at the University of North Texas said that although he dislikes many incentives for development, offering them has become common.

Whether the Garland hotel incentives turn out to be good for the city will depend on how much money the hotel brings in, he said.

"That is a pretty sizable incentive," he said. "The city will need to generate a lot of new spending by outsiders."

Mr. Day said Garland had waited years for four things – major retailers, quality restaurants, a place for Garland schools to hold their graduations and top-notch accommodations for out-of-town family, friends and visitors.

"Soon, we'll have all four of those," he said. "There's a lot happening in this window of opportunity."

The old saw was that you couldn't buy a men's suit in Garland, but that changed in October 2005 with the opening of Firewheel Town Center, with its department stores and other big-name retailers. That was followed in November 2006 by a Bass Pro Shops sporting goods store on the shore of Lake Ray Hubbard.

Restaurants were drawn to Firewheel, the Bush Turnpike and Bass Pro, and more are expected near the Hyatt Place.

Garland high schools held their graduations at Southern Methodist University until the events center opened in May 2005.

The chamber held its annual banquet in Richardson or Dallas until the opening of the Atrium at the Patty Granville Arts Center in March 2003.

And now dirt is flying on the final item on the wish list.

**Business amenities:** 14,900 square feet of conference/meeting space, including a 7,500-square-foot ballroom; 10 high-tech boardroom/breakout areas; 24-hour business center

**Other features:** Workout facility, heated indoor pool, on-site guest laundry