



## City of San Marcos

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For Immediate Release

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## City of San Marcos, Texas, and John Q. Hammons Hotels & Resorts, LLC Break Ground on Embassy Suites® Hotel and Conference Center

The City of San Marcos and John Q. Hammons Hotels & Resorts, LLC broke ground today on a new \$21 million city conference center and \$50 million Embassy Suites Hotel® at I-35 and McCarty Lane.

The hotel will be owned by Mr. John Q. Hammons and managed by Springfield, Mo.-based John Q. Hammons Hotels & Resorts, LLC, the nation's leading independent builder, developer, owner and manager of upscale, full-service hotels, resorts and suites. The conference center will be owned by the City and managed by the company ([www.jqhhotels.com](http://www.jqhhotels.com)).

With an anticipated opening in October 2008, the 10-story upscale, full-service hotel and 77,300-gross-square-foot conference center will be the first facilities of their kind in San Marcos. They will accommodate a wide range of conferences—from auto and boat shows to high tech exhibitions, graduations, special events, and business meetings of all sizes.

The hotel and conference center will also be easily accessible from Texas State University, which boasts a student population of 27,500. The university's growth and stability as an economic engine for the area is what first attracted Mr. Hammons to the San Marcos community.

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“The conference center-hotel will fast become the gathering place at the epicenter of the I-35 corridor,” said San Marcos Mayor Susan Narvaiz. “San Marcos is the third most popular tourist destination in Texas due to the success of our outlet malls. This project will advance our economic tourism strategy and will bring many people to San Marcos. The Embassy Suites Hotel and our Conference Center will have a phenomenal impact on our city and this region.”

“We’re proud to announce the addition of an upscale hotel and conference center to the burgeoning city of San Marcos. The exceptional facilities will complement the state’s major attractions to draw even more business and leisure travelers,” said Mr. Robert Fugazi, regional vice president of John Q. Hammons Hotels & Resorts, LLC.

Speakers at the event included City Manager Dan O’Leary, Mayor Narvaiz, Mr. Fugazi, and John Martin, vice president of Flintco, General Contractor.

### **Project Highlights**

- Developer: Mr. John Q. Hammons
- Architect: Lohmeyer-Russell Architects, P.C.
- Program Manager: Broaddus and Associates
- General Contractor: Flintco, Inc.

Amenities of the Embassy Suites Hotel will include:

- 283 suites, including two presidential suites and two hospitality suites
- Fully staffed resort-style spa with massage and treatment rooms
- Fitness rooms
- Heated outdoor pool and heated spa
- Full-service restaurant, coffee shop and atrium bar
- Business center
- 10-story, open atrium with skylight, dramatic water feature and extensive interior plantscaping
- Glass-backed elevators overlooking atrium and water feature
- Complimentary breakfast and daily manager’s afternoon reception for hotel guests

Conference Center Amenities include:

- 77,300 gross square feet and 40,000 square feet net meeting space with flexible configurations to range from a 28,000-square-foot grand ballroom and 7,000-square-foot junior ballroom to 19 meeting rooms
- Junior ballroom accesses a 4,000-square-foot outdoor veranda
- Kitchen and catering center
- State-of-the-art, high-tech capacity to accommodate high-end audiovisual needs
- Main ballroom floor layout accommodates electrical needs of tradeshow booths
- Power accommodations provided on northeast corner of facility to accommodate outdoor needs such as concerts, expos and conference mobile displays
- Custom-designed chandeliers throughout facility
- Main ballroom features higher than average, 26-foot ceilings

**Conference Center Project History**

The City of San Marcos and Mr. John Q. Hammons have been working on the public-private partnership since 2003. Originally proposed on a 15-acre site overlooking Spring Lake, the project was moved in March 2005 to its current location on I-35 and McCarty Lane.

In the past three years, the City Council and Mr. Hammons have negotiated and approved several agreements advancing the project.

On July 14, 2005, the City Council approved a Chapter 380 Economic Development Grant and Loan Agreement for the Hotel and Conference Center Project with Mr. John Q. Hammons, Trustee. Under this agreement, the City loaned \$1,500,000 and granted \$500,000 to the Hammons Trust to facilitate purchase of the hotel site. In December 2006, the \$1.5 million loan was converted to a future grant to help facilitate the project.

The City Council created a Tax Increment Reinvestment Zone (TIRZ) in March 2006 to pledge tax revenue from the project to reimburse construction cost of the conference center. The zone will last 25 years and will be terminated on September 30, 2030, or earlier. In November 2006, Hays County agreed to participate in the TIRZ.

The Council also approved a Master Development Agreement in March 2006. The City hired Broaddus & Associates as Project Manager, Lohmeyer-Russell Architects to design the conference center in conjunction with the hotel, and later Flintco as the Design-Build General Contractor.

Just last week the City Council sold \$23 million in combination tax and revenue certificates of obligation to finance the conference center. They included \$15,670,000 in tax-exempt combination tax and revenue certificates of obligation and \$6,935,000 in taxable combination tax and revenue C of Os to finance the conference center.

The city will pay 70 percent of the conference center’s construction cost, while Mr. Hammons will provide the remainder.

Under the agreements between the partners, the hotelier will lease and operate the conference center for 20 years.



**About John Q. Hammons Hotels & Resorts, LLC**

Springfield, Mo.-based John Q. Hammons Hotels & Resorts, LLC is the nation’s leading independent builder, developer, owner and manager of upscale, full-service hotels, resorts and suites, including: Embassy Suites Hotels, Renaissance, Marriott, Radisson, Residence Inn, Homewood Suites by Hilton, Holiday Inn and Courtyard by Marriott brands. With 72 hotels strategically located near demand generators, such as state capitals, universities, airports, corporate headquarters or office parks in secondary and tertiary markets, John Q. Hammons Hotels & Resorts’ properties are dominant in their markets. Over the course of his impressive career in the hotel business, Mr. Hammons has developed 184 hotels. For more information about John Q. Hammons Hotels & Resorts, LLC, please visit the company’s Web site at [www.jqhhotels.com](http://www.jqhhotels.com).