# Application for Case Study Presentations Transforming Local Government Conference Conference Theme: "Creating Sustainable Futures: Global Issues/Local Solutions" Greenville, SC: June 4-6, 2008

# **Presentation Category:**

Environment

**X** Economy

Social Equity and Community Planning, Urban Design, Infrastructure Organization and Finance

Title of Presentation:	Extreme Makeover – the Convention Center Edition
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#### Synoposis of Project:

This case study will discuss the planning and redevelopment process for the Carolina First Center (CFC), Greenville, South Carolina's primary convention center. Formerly known as the Palmetto Exposition Center, the CFC was built in sections, over 30 years, to host international textile machinery exhibitions and meetings organized by a now-defunct business entity. The CFC is one of the Southeast's largest convention and meeting facilities, including some 328,000 sf of exhibit space and 88,000 sf of meeting and conference space. The decline of the American textile industry has had a heavy impact in South Carolina. As the textile industry declined, so did the fortunes of the CFC. By 2000, the facility was facing bankruptcy, when the Greenville City Council purchased the 500,000 sf building and 38 surrounding acres for \$6.75 million - the discounted balance on the loan which funded the last addition to the Center. After intensive study and a successful funding program, the City launched a \$21 million renovation project, funded by local, State, Federal and private sources, designed to bring the facility to regional market standards. The renovation project includes: linking existing exhibit halls to create a 228,000 sf divisible exhibit hall, establishing an attractive and functional new entrance for the facility, clarifying and improving public circulation and entrances, creating a 28,000 sf ballroom/banquet space, providing for additional meeting room space and completing ADA and other code compliance renovations.

#### **Components of The Presentation**

#### Innovation/Creativity

The project began with the City's recognition that the community would suffer a multi-million dollar economic loss if the privately-owned convention center were allowed to close. The City purchased the Center with the proceeds of a recently-enacted tax on prepared meals. However, since the City government did not have the organizational experience to manage a convention center, immediately after the purchase of the facility, the City, through an RFP process, selected a professional facility management firm to stabilize the operations of the building. The City then created a blue-ribbon committee, made up of business and community leaders, and appointed by the City Council. The committee was staffed by a senior City staff member, with the assistance of CFC general manager.

The committee was subdivided into three task groups, focused on location, finances and renovation plans. Two of the task groups also used professional consultants to assist in their deliberations

The result of the committee's work was a report of recommendations to the City Council that outlined a general scope of site improvements, renovations, budget and funding sources. Chief among the goals of the project was to create a competitive convention center at a cost that would not be a significant burden on City taxpayers.

The input of the committee - which included hard-nosed, successful developers, architects, engineers and contractors - was invaluable in containing the scope of the project to address the region's needs while keeping within the financial reach of the City government. The committee report served as a template for the RFP process which eventually selected the architectural team to design the renovation and manage the construction project.

#### **Quality Management**

The City staff and facility leadership spent a great deal of time defining realistic expectations among community leaders. It is common for political leaders to envision projects which can be described as "world-class", "best of breed" or "cutting edge." In Greenville's case, the City and facility leadership felt it was important to first recognize the <u>community's</u> capabilities as a convention and meeting site, since a number of factors play into the marketability of a

convention site. Thus, the bar was set at "regionally competitive," as opposed to "world class," which was a level that was neither attainable nor appropriate for the marketplace in which Greenville competes.

The facility management firm uses extensive surveying to record statistics on services provided to customers of the facility. The City also uses quality measures to assess performance of the management company, whose contract ties compensation to performance.

#### **Value Proposition**

During the design process, significant efforts were also devoted to identifying stakeholder needs, through surveys, focus groups and informal meetings. There has also been an ongoing communications process to inform existing and potential customers about the project. As major milestones have been reached, they have been celebrated.

The business community has been increasingly supportive of the center, so that even before the renovation was completed, business at the center increased. Carolina First, a regional bank headquartered in Greenville, purchased naming rights for the facility at a cost of \$3 million. Fiscally conservative elected officials at the State and Federal levels have voiced their appreciation for the City's approach and have supported the City financially with appropriations totaling more that \$8 million. Even those in the hospitality industry, who would have preferred a new convention center - estimated to cost as much as \$200 million – are now voicing their support.

At this point, the most significant "health" accomplishment is a financial health measure. The economic impact of the CFC on the Greenville area economy is estimated at \$50 million per year. If the City had not saved the Center from closing, a significant loss of jobs and community revenue would have occurred.

## **Building Organizational Capacity**

Barriers to innovation were removed by involving business people in the evaluation of strategies for the CFC's improvement. The process used respected the valuable time of the business leaders, since the City staff facilitated their discussion, gathered their ideas and distilled them into documents that could be readily understood by decision-makers.

## **Management Philosophy and Culture**

There was no underlying philosophy used in the project, other than the use of focused practicality. As noted above, the City and facility staff respected the time of the business leaders who donated thousands of hours of valuable time. The staff helped organize their efforts by doing supportive work behind the scenes, involving research, report-writing, developing presentations, scheduling meetings, etc. In this way, the committee members were able to efficiently provide input and direction, so that the process was completed in a timely fashion.

## Integrated Processes and Reengineering with the Use of Technology

No new technologies were utilized. Outside consultants were used for a convention center location analysis (Johnson Consulting), convention center operations planning (SMG) a master plan for the commercial corridor on which the CFC is located (Glatting, Jackson, Kercher and Anglin). Architectural, planning and engineering firms were used for the renovation design (TVS was the principal architect).

## Applicable Results and Real World Advice

The result of the project is a regionally-competitive makeover of a valuable community asset that has been affordable and effective for the community. For a total project cost of some \$28 million, the community has maintained and improved a vital component of its economic development capacity. The public/private project has also helped spur new interest and increased development within a deteriorating commercial corridor.

Lessons learned include:

- 1. Understand the market in which you operate.
- 2. Set realistic and achievable project expectations among community leaders. Don't allow community pride to outweigh practical reality.
- 3. Respect the time of community volunteers. Use staff to facilitate the effective participation of community leaders.