

CITY OF SAN BENITO *Press Release*



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For Immediate Release

City negotiates a hotel and convention center as part of a \$115 million development project

SAN BENITO – City Commission Tuesday formally approved a \$115 million hotel and convention center project on 38 acres of land within the city limits.

Western Spherical Developers LLC. will develop RGV Epicenter which includes mixed-use commercial development located at the northeast corner of I-69 E and Hwy. 509, according to Mayor Ben Gomez. It will be the first phase of an overall 65-acre development.

“This project is a big game-changer for our economy. And, there is more to come,” the mayor said. Gomez added, “Since it is financed by the developer, it really is a big win for the City as it will have minimal financial impact on our citizens.”

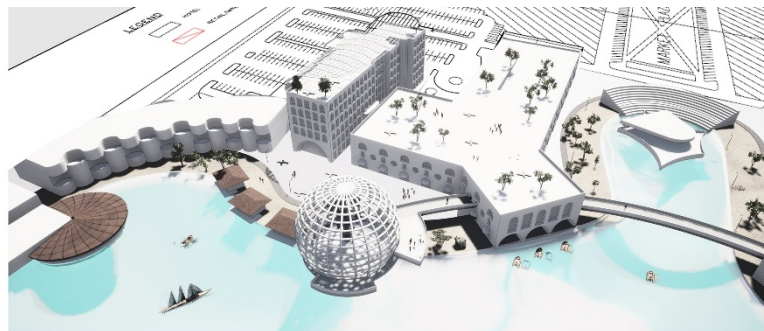
The manager of Western Spherical, David C. Miles and team, are headquartered in Friendswood, Texas.

“The construction, development and operation of RGV Epicenter will create approximately 319 full time construction jobs and 758 direct and indirect full time local jobs during the construction phase and another 1,013 direct and indirect full time local jobs during the operation of the hotel and convention center,” Miles said.

“Epicenter is positioned to support and further advance the region’s growth opportunities in the industries of aerospace, medical, agricultural, energy, transportation, sports and entertainment, and ecotourism. Great opportunities also exist to celebrate the Latino Heritage of music, dance and visual art,” he added.

The facilities will include a 23,000-square foot convention center, a 142 key (minimum) select service hotel supporting large venue conventions, a crystal lagoon, a visitors and special events center utilizing banquet venues, a performance hall or pavilion, interactive education venue, professional office space, restaurants and retail space, green space, and athletic and entertainment-related facilities.

Officials here credit local legislators and a consultant for setting the wheels in motion for the successful framework that makes the project possible.



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“We owe a special debt of gratitude to our State Sen. Eddie Lucio Jr. who worked diligently in the Senate and Rep. Eddie Lucio III, who each authored and introduced legislation that evolved through mergers with others to become HB 4347 and HB 2199. They were tireless in their sponsorship and guidance during the session. Legislative consultant Parker McCollough, of Mercury Public Affairs LLC, was also instrumental in directing the measure through the legislative process,” the mayor said.

“It is through their perseverance that these two major pieces of legislation were enacted. They crossed the political divide and made this happen,” he added.

House Bill 2199 is designed to use municipal hotel occupancy tax revenue in certain municipalities, including San Benito, for development of sports and entertainment facilities. Likewise, HB 4347 is a bill that will allow San Benito to also use municipal hotel occupancy tax revenue for hotel and convention center projects and other qualified development.

“The agreement unanimously approved by the City Commission will facilitate financial mechanisms to bring about a variety of retail, sporting, dining, lodging, entertainment and educational facilities to San Benito. This is legislation of historic proportion for San Benito and South Texas,” Commissioner Rene Villafranco said.

“An underlying mission for the Epicenter complex is to enhance quality of life, participate as an active community partner promoting area events for families and visitors, business and innovative opportunities, and supporting job creation and training for the San Benito and surrounding Lower Rio Grande Valley communities. Equally important is the promotion of robust visitor and business opportunities with regional, national and international interests,” Miles said.

“The project site is located near an intersection of major highways and in close proximity to the Valley International Airport. The strategic location of Epicenter offers an ideal destination for regional and international visitors as well as innovative business initiatives. Epicenter will generate great interest for the South Padre Island tourist market for day trips as well as an expanded scope of overnight visitor options for lodging and entertainment,” according to Miles.

Plans for Epicenter distinguish this project from other mixed-use developments, incorporating a diverse scope of amenities including affordable family entertainment, retail, restaurants, live entertainment, medical wellness, interactive educational initiatives, and Class A office space, he added. These amenities position Epicenter as a catalyst for innovative business initiatives and partnerships that translate to opportunities for job creation with higher wage scales significantly adding to the San Benito tax base and enhanced quality of life.

The hotel and convention center will attract convention/conferences and exhibits in addition to serving as a venue for events and concerts. Set among other Epicenter and regional amenities, the hotel and convention center will be well-positioned to attract regional, national and international interests. Additionally, the hotel and convention center will collaborate in supporting and/or enhancing existing regional events and potentially participate in the creation of new events. Marketing initiatives will include cross-promotional and partnership marketing initiatives to diverse markets, industry resources and marketing platforms.

HOW IT STARTED

The concept for RGV Epicenter dates back to September 2018, when Miles approached City Manager Manuel De La Rosa to propose construction of a hotel and convention center. Strategies ensued to determine a course of action to make the project a reality.

The City Commission in October 2018 agreed to hire Mercury Public Affairs in preparation for the coming legislative session where officials planned to introduce legislation to create bills that would help fund construction of the project which had by then, grown in scope to include entertainment venues.

On Jan. 22-24, 2019 the city manager met in Austin with Sen. Lucio and Rep. Lucio to discuss the proposal and seek their support in filing bills that would accomplish the goals needed to advance the project. Then, from April 8-10, 2019 De La Rosa met again at the State Capital with key legislators seeking support of the measures and also testified before the Senate’s Intergovernmental Relations Committee and the House Ways and Means Committee.

Efforts were successfully culminated at the close of the 86th Legislative session when the two bills were formally enacted. In the ensuing months, efforts continued at a steady pace to negotiate and wrap-up the agreement the City Commission signed this week.