



## **NEWS RELEASE**

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### **City of Texarkana, Texas Announces Award of Texarkana Convention Center Proposal to Daugherty Property Group**

For immediate release:

The foresight of Texarkana, Texas City leadership over five years ago\* in setting aside 2% of hotel occupancy tax toward a convention center is soon to come to fruition with the development of the Texarkana Convention Center and adjacent Hilton Garden Inn. The fact that the project will be funded through hotel occupancy tax without the investment of even a penny of taxpayer's money is phenomenal. Former Mayor James Bramlett recalled, "For many years, the Council and I had received numerous requests from citizens to consider a convention center for Texarkana. We agreed that Texarkana needed a quality convention center and began the process in 2004 to establish a dedicated fund from which a portion of the hotel taxes paid by visitors would go toward a project like this in the future." Mayor Steve Mayo and the current Council agree and commend them for their vision.

"It is truly the fulfillment of a dream that we announce that we will soon be breaking ground on the Texarkana Convention Center. With the completion of the I-30 project in 2011, Texarkana is poised for even more unparalleled growth. The convention center will meet our needs for local large events and make Texarkana a destination," stated Mayor Steve Mayo. "Jack and Brian Daugherty, of Texarkana and Mike Daugherty of Frisco, Texas, have been awarded the RFP (Request for Proposal) for Texarkana's

convention center and have agreed to directly invest approximately fifteen million dollars in the project. The fact that we'll have the Daughertys developing and managing the center and hotel gives us full confidence that it will be a first-class facility with amenities second to none."

"The citizens of Texarkana can take great pride in the proactive approach which city leaders have taken to make this convention center a reality," advised Scott Bruner, community leader and partner with Offenhauser & Company. "It's rare to find a city that plans so well for the future. Utilizing taxes generated by travelers from all over the United States to benefit local businesses and residents by providing facilities to attract events to Texarkana is visionary."

The Daughertys are certainly no strangers to the hospitality industry in Texarkana. Jack Daugherty has been developing restaurants and hotels for over twenty-eight years and opened his first Sonic restaurant in Texarkana nineteen years ago. He and his sons have since developed several hotels in the Texarkana area including the Comfort Inn & Suites, which was the first new hotel in Texarkana, Texas in fifteen years, the Hampton Inn & Suites, and the new Holiday Inn Express. The Daughertys were also the initial tenants of Crossroads Parkway, with their Best Western being the first new hotel in Texarkana, Arkansas in nearly two decades.

The Daugherty's choice of Hilton Garden Inn as their fifth Texarkana hotel was based on its proven record of excellence. Hilton Garden Inn is renowned industry-wide for its superior quality, with the brand achieving the highest ranking in the "Mid-Scale Hotel Chains with Full Service" category in the J.D. Power and Associates North American Hotel Guest Satisfaction Index Study for the seventh time in eight years.

The Hilton Garden Inn brand is part of Hilton Worldwide, which is recognized internationally as a preeminent hospitality company that develops, owns and franchises more than 5,300 hotels and resorts. The Hampton Hotels brand is also part of the Hilton Worldwide portfolio and includes the Hampton Inn & Suites Texarkana that is owned and operated by the Daughertys.

Ted Ent, Vice President of Franchise Development for Hilton Worldwide, said, "We are delighted to be working with the Daughertys to bring the Hilton Garden Inn brand to Texarkana. Hilton Garden Inn will bring a new level of service and quality to Texarkana."

"After a great deal of study, it became evident to us that the convention center needed to be located in the epicenter of activity for the city of Texarkana to serve the entire community," commented Councilmember Derrick McGary. "It is a sound business decision to locate on Cowhorn Creek Road east of Central Mall and adjacent to American State Bank. The area, with its many restaurants, proximity to retail shopping, medical complexes and the interstate, will help to draw events to the convention center and luxury hotel."

The 20,000 square foot Texarkana Convention Center will serve as a spectacular venue for weddings, non-profit events, and community celebrations with its 12,000 square foot ballroom which will accommodate 1,000 guests for a seated dinner and can be divided into multiple rooms for events of various sizes. The 5,000 square foot outdoor patio area will provide additional space for large events. The adjoining Hilton Garden Inn will have approximately 150 rooms and a full service restaurant offering room service.

“Within walking distance of the convention center, we already have five terrific hotels with over 415 hotel rooms. Now, combining those hotels with the convention center hotel, we will have over 560 hotel rooms, all within walking distance. We believe that by their working together with this convention center asset, we will continue to grow our hospitality industry by attracting conferences, trade shows, and events that we previously did not have the facilities to accommodate,” stated the City’s Economic Developer Jerry Sparks. “When visitors come to Texarkana, not only do they stay in our hotels and contribute additional dollars to our hotel occupancy tax base, but they also spend money at our retail locations including restaurants, gas stations, and shopping centers which benefits the entire community of Texarkana.”

“Having the new convention center and Hilton Garden Inn nearby will certainly be advantageous to all of us with businesses in the area,” remarked Bryce Lawrence, owner of Bryce’s Cafeteria. “I’ve known Jack Daugherty for years – he is as good as they come. With the Daugherty family behind this venture it’s sure to be a success because they work hard and work smart.”

The upscale hotel and commercial kitchen of the convention center will provide superb facilities for guests with a first- class chef to insure the finest cuisine. Characteristically forward-thinking, the Daughertys are also considering partnerships to train students in Hospitality and Culinary Arts. “Working with the local high schools and colleges has worked very well for Hilton Garden Inns in the Dallas Metroplex area,” commented Jack Daugherty. “We’d like nothing better than to open our facilities to train students in the industry that we enjoy so much.”

The next step will be for the City to select the design/build firm through an SOQ (Statement of Qualifications) and with input from the Daughertys. The City plans to contract with a builder who will construct both the hotel and the convention center. The Daughertys have entered into a twenty year management agreement with the City for the management and maintenance of the convention center to insure consistent quality.

Chamber of Commerce President Jeff Sandford expressed enthusiasm for the new development stating “We are very pleased with the significant investment of \$22 million dollars into our community. It is very rare – especially in these economic times – to have such a positive announcement of this magnitude.” Deborah Johnson of Central Mall echoed Sandford’s thoughts. “We at Central Mall are thrilled that we’ll have such a

wonderful new neighbor across Cowhorn Creek. The convention center will be a boost for all of the businesses in the area.”

Construction of the Texarkana Convention Center and Hilton Garden Inn is set to begin this fall and is expected to take approximately twelve to fifteen months.

\* Ordinance No.253-04 was passed effective October 1, 2004, by the City Council of Texarkana, Texas increasing the hotel occupancy tax and designating the tax increase authorized for the future construction and operation of a conference/convention center to be located within the City of Texarkana, Texas. Effective with the October, 2005 budget, the revenues derived from the 2% increase in hotel occupancy tax were designated to the future convention center.