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Hurst expects new center to develop into success

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HURST -- The future of the Hurst Conference Center looks as brilliant as the fiber-optic chandeliers in its ballroom.

Market research estimates that the third year of operation will generate \$2.5 million in gross sales.

Its opening is tentatively set for Sept. 9, and the 50,000-square-foot facility already has more than 70 confirmed bookings or strongly intended bookings, said Charleton Northington, the center's executive director.

"Most of them are banquets," he said.

Under construction for the last 18 months, the center's timing was perfect to take advantage of dramatically decreased building costs, City Manager Alan Weegar said.

"It cost \$20 million and came in well under budget," he said. "We were expecting \$21 million or more."

Arguably the city's crown jewel, the center is part of a 5-year-old comprehensive revitalization program called Transforming Hurst, Weegar said.

"In the [city's] southern portion we built Heritage Village, a development on Pipeline Road with the new senior center, the new fire station and a plaza with a fountain," he said. "We're also focusing on the Bellaire area of southeast Hurst. We're looking at initiatives."

Weegar said the conference center should give a boost to the town's central area, which is home to City Hall, the police station and three hotels.

"We're trying to stimulate other development in that area," he said. "There's property next to the conference center that could become a hotel in the not-too-distant future. We've talked to interested developers, and it could be within a year or two."

Smaller events

Officials say the center is unlike any other in Northeast Tarrant County.

"There are smaller [venues] that hold up to 400," Weegar said. "But none that could do what this center does. It was a multifaceted way to address the needs of Northeast Tarrant County."

It is a conference center, targeting events that are smaller than conventions but need venues with associated hotels and exhibition-sized arenas, Weegar said.

"When we built the center we were looking at smaller meetings, banquets and social groups' events," he said. "We built it to seat 900 at a sit-down dinner."

Northington described the chandeliers and other fiber-optic lighting as typical of the facility's standout features.

The more than 14,000-square-foot ballroom is divisible with sound-suppressive partitions on tracks.

Spaces throughout the center that are designed for various-sized groups include six breakout rooms, an executive boardroom, an outdoor veranda/patio and a large pre-function space in the main gallery.

Management deal

The City Council recently approved a one-year management agreement with VenuWorks, an Iowa firm, to run the conference center.

Weegar said the agreement includes an \$8,500 monthly management fee and a 5 percent commission on all sales of food and non-alcoholic beverages at the center.

VenuWorks, Weegar said, will remit 40 percent of the gross alcoholic beverage sales to the city and receive 15 percent commission on all advertising, pouring rights and sponsorship revenue.

Weegar added that VenuWorks' budget and five-year projection is conservative but shows profits beginning in the third year of operation.

"We always knew that years one and two may operate at a deficit, because it takes that long to get a facility up and running and booked," he said. "You can see that there is an operating income loss of about \$200,000 in year one and \$100,000 in year two, and then we start seeing increases."

Steven Peters, VenuWorks president, said the company has sought events that attract out-of-town people who will stay in local hotels.

"One of [the events already booked] has 450 room nights," he said. "We're talking with organizations from school districts to corporations to churches. So far we have more than 2,000 room nights in confirmed bookings."

The prediction includes 175 events by the third year, with 80,000 annual attendance and 8,000 additional hotel room nights.

Weegar said the city should expect increased revenue from hotel occupancy taxes, mixed beverage taxes and city sales taxes generated by visitors who shop while they're in Hurst.

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