

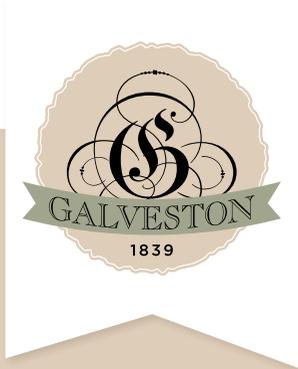


GALVESTON HISTORIC DOWNTOWN SEAPORT DRAFT MASTER PLAN

Prepared for:
Historic Downtown Strand Seaport Partnership

Prepared by:
**H&A Architects & Engineers (Formerly CMSS Architects, PC)
Ewert & Company, LLC**

November 2010



Acknowledgments

HISTORIC DOWNTOWN GALVESTON

PARTNERSHIP BOARD OF DIRECTORS

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 Joyce Calver Vice President
 Jeff Modzelewski Treasurer
 Adrienne Culpepper Secretary
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 David Watson

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 Craig Brown President
 Joyce Calver Vice President
 Barbara Crews Business Committee
 Chairperson

CITY OF GALVESTON TEAM

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 Tarris Woods City Council, District One
 Steve LeBlanc City Manager
 Paula Ozymy Assistant City Manager
 Wendy O'Donohoe Director of Planning &
 Community Development
 Lori Schwarz Planning Division Head /
 Historic Preservation Officer
 Susie Green City Attorney

ADVISORY COMMITTEE

John Eckle Incoming Chairman of the
 Board, Port of Galveston
 Joe Rozier Project Manager,
 Mitchell Historic Properties
 Mike Shriner Vice-President, University of
 Texas Medical Branch (UTMB)
 Don Gartman President, Galveston County
 Economic Alliance
 Ray Lewis Chairman,
 Galveston Housing Authority
 Robert Lynch Cultural Arts Representative /
 Kempner Fund
 Jeff Sjostrom President, Galveston Economic
 Development Partnership
 Jerry Mohn President, Galveston
 Chamber of Commerce
 Tofigh Shirazi Developer, Beach Town
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 Dolph Tillotson Publisher, Galveston
 County Daily News
 Cindy Roberts Gray President, Third Coast R&D, Inc.
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 Representative
 Monica Barry Owner, Haba's - Post Office
 Small Business Representative
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 Representative
 Doug Rogers Waverly Holding Company
 Mike Doherty President, Sealy & Smith
 Foundation
 Myles Shelton President, Galveson College

CONSULTING TEAM (PLANNING CONTRACT)

Ewert & Company, LLC, Project Manager

H.B. Ewert President

CMSS Architects, PC, Urban Planner

Burrell F. Saunders, AIA, NCARB Principal-in-Charge /
 Urban Planner
 Dave Ermini, AIA Architect / Planner
 David Johnson, ASLA Landscape Architect
 Stephanie McMorris, Assoc. AIA Landscape Architect
 Nishith Trivedi Planner / GIS
 Dave Warwick Architectural Illustrator
 Scott Wertz Architectural Illustrator
 TJ Blanchflower Senior Graphic Designer
 Elizabeth Stalica Graphic Designer

H&A Architects & Engineers (Formerly CMSS Architects, PC), Economic, Retail, Port, Analysis Contract

Project Coordinators

Ewert & Company, LLC, Municipal Consultant

H.B. Ewert President

Vickerman & Associates, LLC, Port Planning

John Vickerman President

Divaris Real Estate, Inc., Retail Consultant

John Millar Executive Vice President

Center for Regional Analysis, Economic Consultant

Stephen Fuller, PhD Regional Development Director
 John McClain, AICP Deputy Director

PHOTOGRAPHY CREDITS

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Welcome



Bern Ewert
Ewert & Company





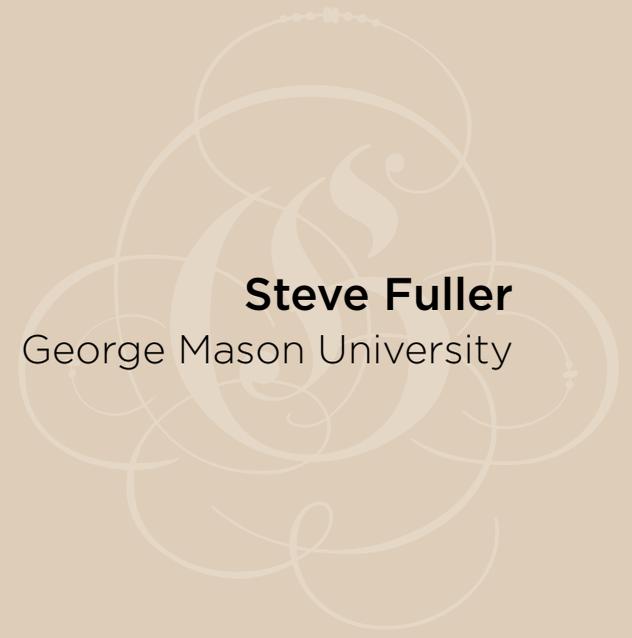
1. Greetings
2. Overview
3. The Team
4. What We Found
5. Great Promise for Jobs and Improved Quality of Life

Challenges & Strategies

SHAPING THE FUTURE ECONOMY OF GALVESTON COUNTY & THE CITY OF GALVESTON



Steve Fuller
George Mason University

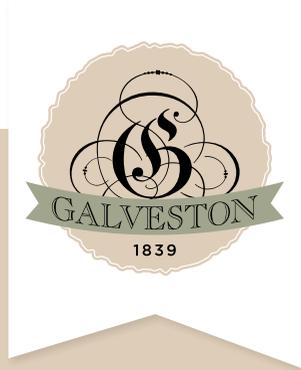




The Challenge

The County's population is projected to grow more slowly than the Houston Region's and while its job base will grow at the average rate for the Region it will become more specialized in slower growing and lower value-added businesses.

The City has lost residents, its residentially serving retail and consumer services businesses are in decline and its core industries are under-performing their potentials.

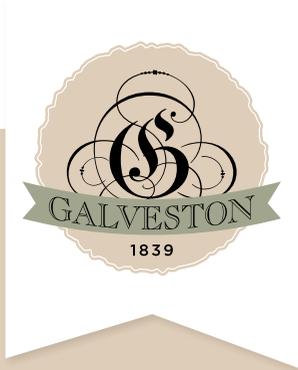


Projected Population Growth, 2010-2030

SOURCE: HOUSTON-GALVESTON AREA COUNCIL

YEAR	CITY OF GALVESTON	GALVESTON COUNTY	HOUSTON AREA*
2010	59,331	287,513	5,720,444
2030	78,397	386,888	8,042,232
% Change	32.1	34.6	40.6
Metro Share '10	1.0	5.0	
Metro Share '30	1.0	4.8	

*Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties

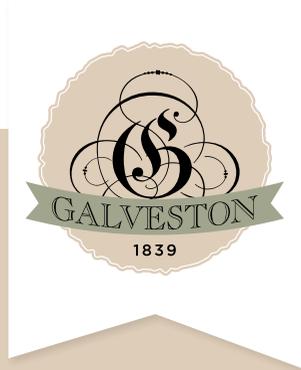


Projected Household Growth, 2010-2030

SOURCE: HOUSTON-GALVESTON AREA COUNCIL

YEAR	CITY OF GALVESTON	GALVESTON COUNTY	HOUSTON AREA*
2010	24,493	113,708	2,075,442
2030	33,793	160,111	3,039,586
% Change	32.6	40.8	46.4
Metro Share '10	1.2	6.7	
Metro Share '30	1.1	5.3	

*Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties

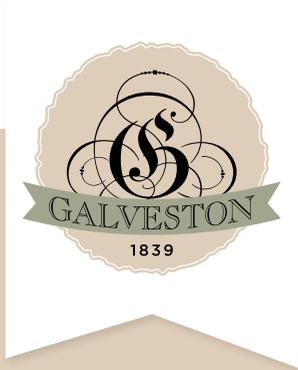


Projected Job Growth, 2010-2030

SOURCE: HOUSTON-GALVESTON AREA COUNCIL

YEAR	CITY OF GALVESTON	GALVESTON COUNTY	HOUSTON AREA*
2010	46,952	117,061	2,810,586
2030	51,112	157,096	3,771,843
% Change	8.9	34.2	34.2
Metro Share '10	1.6	4.2	
Metro Share '30	1.35	4.2	

*Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties



Strategy Alternatives

Galveston County's economic development challenge is achieving higher value-added business growth by capturing a growing share of the region's "new" economy reflecting technology-intensive and knowledge-based businesses.

To increase its competitive position in the Houston area, Galveston County must be prepared to accommodate the "new" businesses as they seek new locations for expansion or relocation from outside the metropolitan area.



Strategy Alternatives

Growing residential demand in the County creates a new source of housing demand for the City.

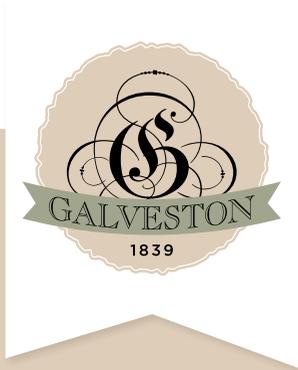
By increasing its year-round population, the City will strengthen its economy by (1) increasing demand for retail and consumer services and (2) by capturing and retaining a greater share of the local export-based economy.



Strategy Alternatives

The City's residential development strategies must (1) increase the number of households living in the City and (2) increase the incomes of the City's resident households.

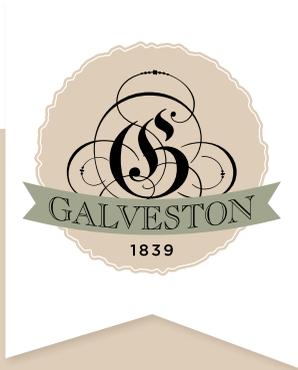
To become competitive for increased residential growth, the City needs to upgrade its infrastructure, improve and expand its community facilities and services, and enhance its visual qualities, qualities of living and sense of place.



The Strategic Growth Model

Advancing the economic growth of Galveston County can help to establish an employment base to support residential demand in the City of Galveston.

Establishing a competitive living environment in the City will enable it to better house current and future workers in the City and to capture a more diverse household mix working in jobs located in the County.



The Strategic Growth Model

The City's growing population with higher household incomes will strengthen the City's residentially supporting retail and consumer services-based economy that will in turn increase the City's economic growth by retaining a greater share of earnings from its core sectors.

The key to the County's economic vitality is increasing its competitive position and that of the City within the Houston metropolitan area in order to capture a growing share of the region's new and higher value-added growth.

Feasibility Study

RETAIL, ENTERTAINMENT, & MIXED-USE DEVELOPMENT FOR GALVESTON, TEXAS



John Millar
Divaris Real Estate, Inc.





Goals & Objectives

FIND OPPORTUNITIES TO:

1. Create jobs
2. Provide synergy among sectors
3. Complement existing retail & entertainment, not compete
4. Lengthen visitor stays
5. Improve retail mix, breadth of attractions, and its connectivity to Galveston's existing draws



RMP Opportunity Gap

GALVESTON RETAIL STORES, 20-MILE RADIUS

MERCHANDISE CATEGORY	2009 DEMAND (CONSUMER EXPENDITURES) (\$ MILLIONS)	2009 SUPPLY (RETAIL SALES) (\$ MILLIONS)	OPPORTUNITY GAP/ SUPPLIES (\$ MILLIONS)
Electronics & Appliance Stores	\$56.7	\$15.6	\$41.1
Grocery Stores	\$312.7	\$295.6	\$17.1
Beer, Wine & Liquor Stores	\$20.7	\$14.3	\$6.4
Pharmacies & Drug Stores	\$131.6	\$75.6	\$55.9
Men's Clothing	\$4.8	\$4.1	\$0.7
Women's Clothing	\$19.6	\$8.4	\$11.2
Children's, Infants Clothing	\$4.8	\$2.6	\$2.2
Family Clothing	\$42.4	\$9.1	\$33.3
Accessories	\$1.9	\$0.8	\$1.1
Shoe Stores	\$16.4	\$8.6	\$7.8
Jewelry	\$13.9	\$4.7	\$9.2
Luggage & Leather Goods	\$1.2	—	\$1.2
Hobby, Toys & Games	\$10.2	\$3.6	\$6.6
Book Stores	\$8.9	\$2.0	\$6.9
Department Stores	\$158.7	\$119.8	\$38.9
Office Supplies	\$13.5	\$5.0	\$8.5
Gift, Novelty & Souvenir Stores	\$10.4	\$6.5	\$3.9
Quick Service Restaurant	\$113.3	\$106.0	\$7.3
Furniture & Home Furnishings Stores	\$49.3	\$20.0	\$29.3

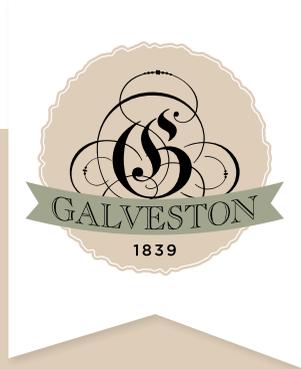


RMP Opportunity Gap

GALVESTON RETAIL STORES, 20-MILE RADIUS, SQUARE FOOTAGE

MERCHANDISE CATEGORY	2009 DEMAND OPPORTUNITY GAP (\$ MILLIONS)	RETAIL SQUARE FOOTAGE GAP
Electronics & Appliance Stores	\$41.1	82,200 SF ¹
Grocery Stores	\$17.1	34,200 SF ¹
Beer, Wine & Liquor Stores	\$6.4	12,800 SF ¹
Pharmacies & Drug Stores	\$55.9	111,800 SF ¹
Men's Clothing	\$0.7	2,300 SF ²
Women's Clothing	\$11.2	37,300 SF ²
Children's, Infants' Clothing	\$2.2	7,300 SF ²
Family Clothing	\$33.3	111,000 SF ²
Accessories	\$1.1	2,200 SF ¹
Shoe Stores	\$7.8	26,000 SF ²
Jewelry	\$9.2	9,200 SF ³
Luggage & Leather Goods	\$1.2	4,000 SF ²
Hobby, Toys & Games	\$6.6	22,000 SF ²
Book Stores	\$6.9	23,000 SF ²
Department Stores	\$38.9	130,000 SF ²
Office Supplies	\$8.5	17,000 SF ¹
Gift, Novelty & Souvenir Stores	\$3.9	13,000 SF ²
Quick Service Restaurant	\$7.3	14,600 SF ¹
Furniture & Home Furnishings Stores	\$29.3	29,300 SF ³

¹ @ \$500 PSF
² @ \$300 PSF
³ @ \$1,000 PSF



Galveston Top Employers

SOURCE: GALVESTON CHAMBER OF COMMERCE WEBSITE

EMPLOYER	TOTAL EMPLOYEES
University of Texas Medical Branch	10,000
American Nat'l Ins. Co	1,475
Galveston Ind. School District	1,200
Landry's Seafood*	1,045
Galveston County (on Island only)	969
Moody Gardens	840
City of Galveston	825
Fertitta Hospitality**	582
Wal-Mart	410
Texas A&M - Galveston	400

* Landry's Restaurant, Inc includes: Landry's Seafood House, Willie G's Seafood and Steakhouse, Saltgrass Steak House, Rainforest Café, Retail Village & River Adventure Ride, Fisherman's Wharf, Fish Tales and Holiday Inn Resort on the Beach

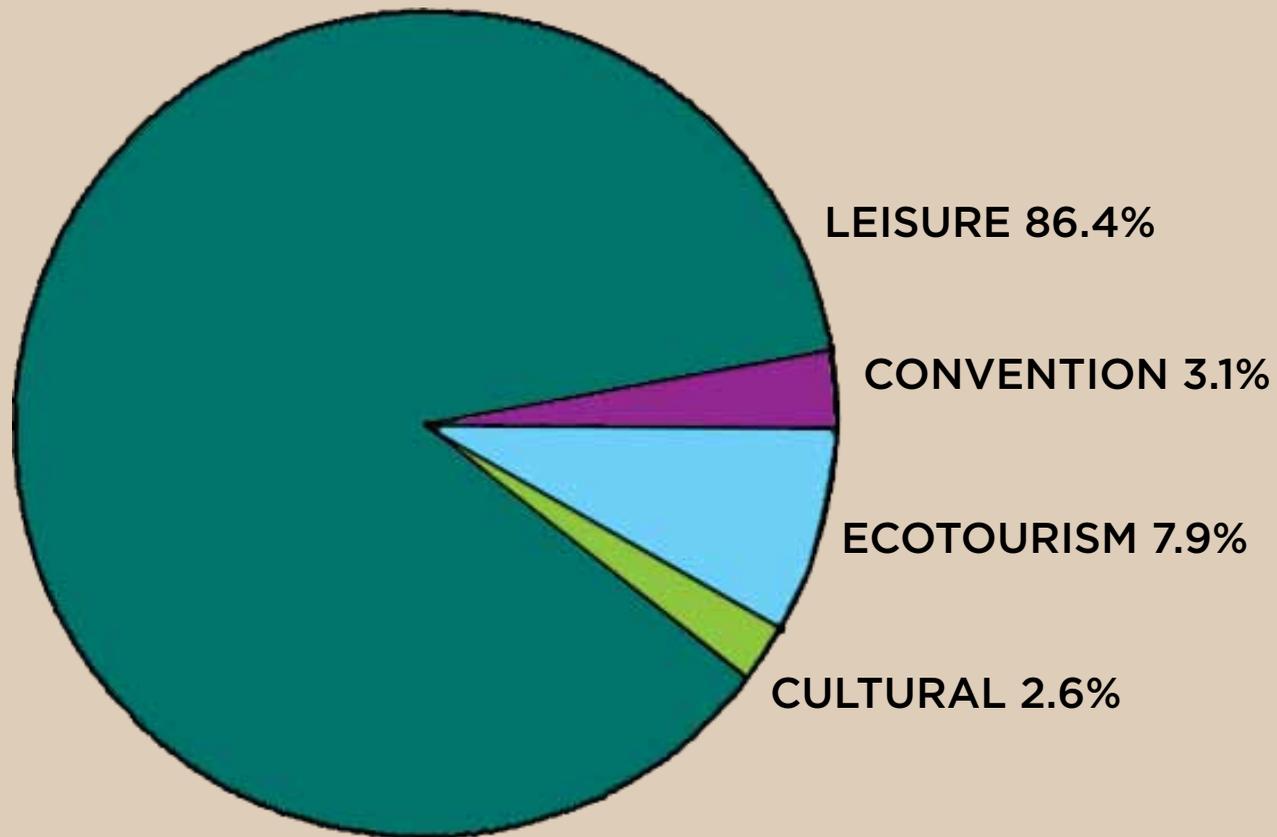
** Feritta Hospitality, LLC includes: The San Luis Resort Spa & Conference Center, Hilton Galveston Island and IHOP



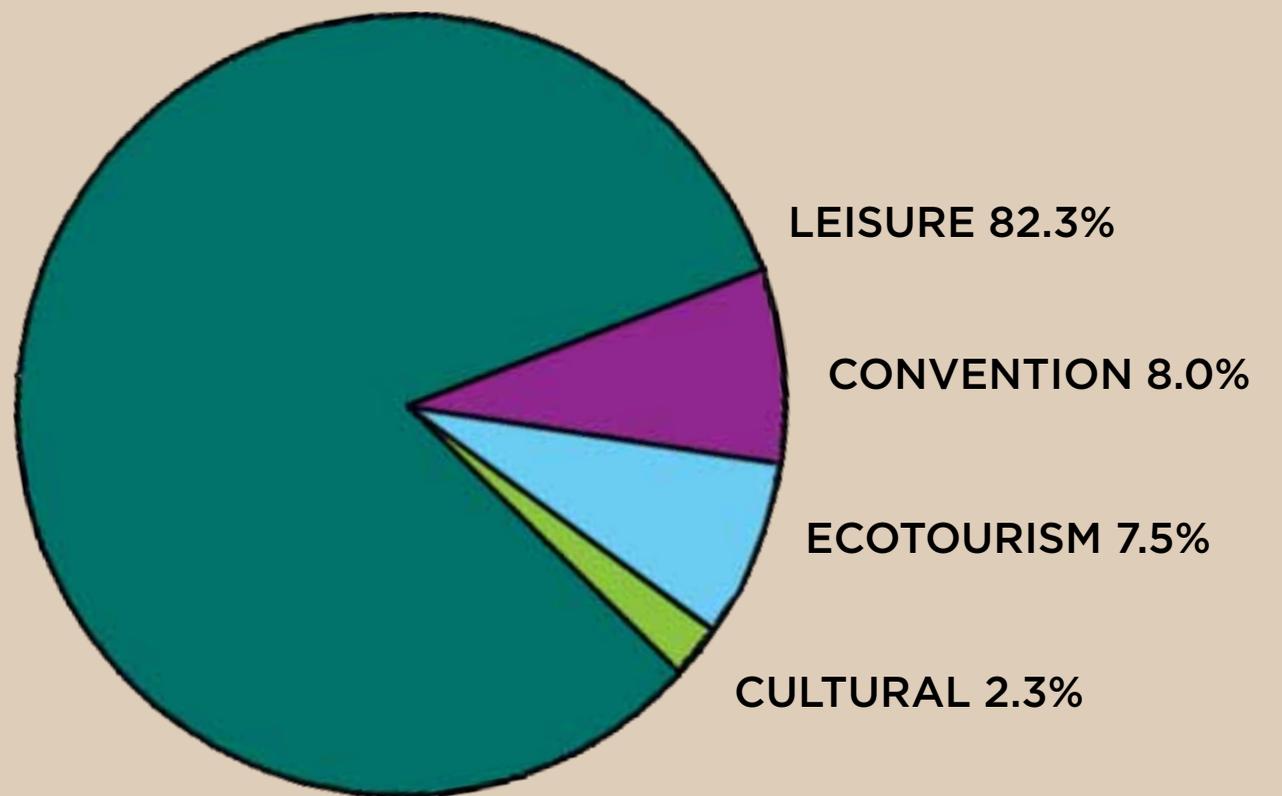
Galveston Tourism by Primary Trip Purpose

SOURCE: GALVESTON TOURISM ECONOMIC IMPACT ANALYSIS

TOTAL VISITORS: 5,436,500



DIRECT SPENDING: \$561,319,000





Economic Attractors for Galveston

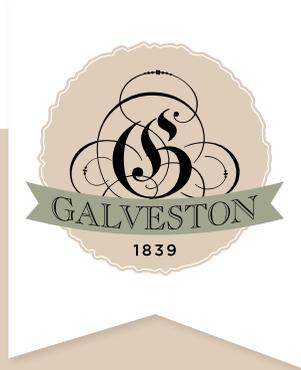
- A. Tourism
- B. Cruise Ships
- C. Second Homes & Beach Rental Properties
- D. Moody Gardens
- E. Schlitterbahn Water Park
- F. Historic District & Cultural Tourism
- G. Eco-Tourism
- H. Convention Visitors



Ports of Embarkation

ACCORDING TO CLIA, LARGEST NORTH AMERICAN PORTS RANKED BY # EMBARKATIONS IN 2006 ARE AS FOLLOWS

Miami, Florida	1.89 million
Port Canaveral, Florida	1.40 million
Port Everglades, Florida	1.15 million
Galveston, Texas	617,000
Los Angeles, California	592,000
San Juan, Puerto Rico	555,000
New York, New York	536,000
Tampa, Florida	457,000
Vancouver, British Columbia	402,000
Long Beach, California	378,000
Seattle, Washington	373,000
Honolulu, Hawaii	318,000
San Diego, California	180,000
Seward, Alaska	178,000
Cape Liberty, New Jersey	160,000
Jacksonville, Florida	130,000



Galveston Cruise Ships

	CARNIVAL'S CONQUEST	CARNIVAL'S ECSTASY	ROYAL CARIBBEAN VOYAGER OF THE SEAS
Number of Annual Cruises	53	77	22
Passenger Capacity	2,974	2,052	3,114
Total Crew	1,150	920	1,176
Total/Year	219,572	228,844	94,380
Total Passenger - Crew Capacity 9/12/2010 - 9/4/2011	542,796		

* Carnival Magic Replaces Carnival Conquest on 11/14/2011;
963 more Passenger & Crew Capacity than Carnival Conquest

* Carnival Triumph Replaces Carnival Ecstasy on 10/6/2011;
886 more Passenger & Crew Capacity than Carnival Ecstasy

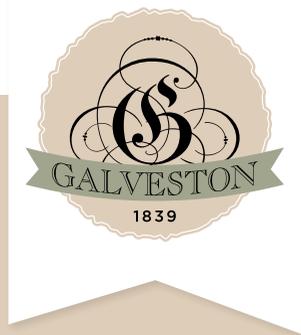
* Royal Caribbean Mariner of the Seas Replaces Royal Caribbean Voyager of the Seas in November 2011



Characteristics of Second Home Owners

SOURCE: TEXASGULFCOASTONLINE.COM

- Typical vacation-home owner is 59 years old.
- Median age of investment property owners is 55.
- Vacation-home owners' median income is \$120,600.
- Investment property owners' median income is \$98,600.
- Over 75% of second-home owners are married.
- Baby Boomers are important segment of the second-home market with 60% of owners 45 to 64 years old.
- 82% of all second-home owners drive to their vacation homes.
- 75% of second-home owners purchased their home for vacation use.
- Second-home owners spend a median of 39 nights in their second-home each year.
- 75% of second-home owners do not rent their property.



UTMB Employee Statistics

INCOME	# OF EMPLOYEES
Under \$30,000	1,641
\$30-\$60,000	5,514
\$61-\$100,000	2,513
\$101,000 +	1,142
Total	10,810

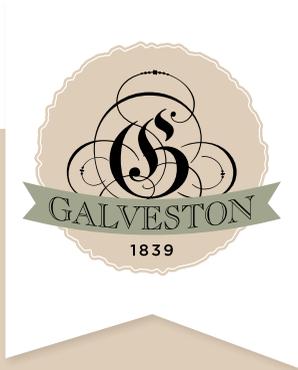
TOTAL SUMMARY BY HOME ZIP		
Home Zip	Area	Total
77550	On Island	1280
77551	On Island	792
77552	On Island	19
77553	On Island	24
77554	On Island	458
77555	On Island	86
		2659

TOTAL SUMMARY BY WORK ZIP											
Work Zip	Area	Total	75941	mainland	32	77340	mainland	370	78252	mainland	35
77555	Main Campus	7168	75951	mainland	8	77351	mainland	60	78384	mainland	8
75151	mainland	19	75990	mainland	44	77396	mainland	41	78539	mainland	22
75207	mainland	39	76084	mainland	16	77422	mainland	18	78541	mainland	26
75241	mainland	33	76240	mainland	17	77469	mainland	173	78580	mainland	16
75418	mainland	38	76426	mainland	11	77478	mainland	29	78611	mainland	12
75494	mainland	10	76458	mainland	17	77515	mainland	34	78640	mainland	14
75570	mainland	61	76511	mainland	18	77535	mainland	72	78644	mainland	19
75652	mainland	30	76528	mainland	114	77539	mainland	118	78701	mainland	357
75684	mainland	10	76598	mainland	16	77583	mainland	137	78724	mainland	21
75785	mainland	144	76599	mainland	76	77705	mainland	273	78752	mainland	1
75835	mainland	22	76661	mainland	35	77807	mainland	16	78861	mainland	24
75851	mainland	31	76664	mainland	43	77868	mainland	53	78942	mainland	17
75852	mainland	28	76804	mainland	32	77954	mainland	19	79107	mainland	3
75860	mainland	28	76877	mainland	10	78014	mainland	8	79777	mainland	8
75861	mainland	172	77002	mainland	2	78017	mainland	14			10810
75882	mainland	26	77320	mainland	267	78102	mainland	57			
75886	mainland	59	77327	mainland	8	78119	mainland	51			



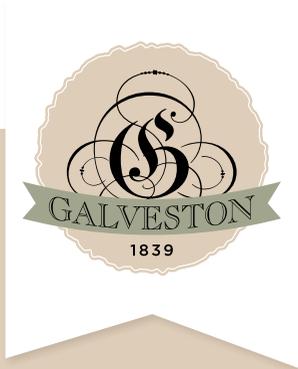
UTMB Student Statistics

HEALTH SCIENCES SCHOOLS	# OF STUDENTS
School of Nursing	627
School of Medicine	920
School of Health Professions	590
Graduate School Biomedical Sciences	293
TOTAL	2,430



Patient Admissions, Clinic Visits, & ER Visits

UTMB Admissions	20,449
UTMB Clinic Visits	521,764
UTMB Emergency Room Visits	15,296



Leisure Travel

According to Tourism Works for America (2007 edition), by the Travel Industry Association (TIA, www.tia.org), leisure travel accounts for 74% of all domestic person-trips, or over 1.5 billion person-trips annually.

THE REPORTED PURPOSES OF LEISURE TRIPS ARE AS FOLLOWS

- Personal leisure: 39%
- Visit friends or relatives: 36%
- Getaway weekend: 15%
- General vacation: 10%

THE FOLLOWING ARE THE MOST COMMON TRIP ACTIVITIES:

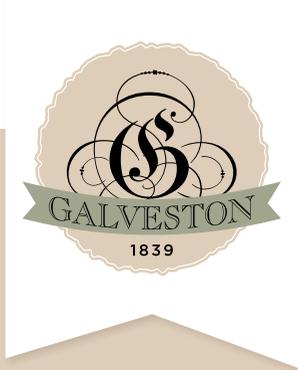
- Dining 33%
- Shopping 28%
- Entertainment 23%
- Touring 20%
- Nightlife 8%

TRANSPORTATION FOR LEISURE TRAVEL IS AS FOLLOWS

- Automobile 70%
- Van or small truck 18%
- Airplane 6%

ACCORDING TO THE TIA, PARTY COMPOSITION FOR LEISURE TRAVEL IS AS FOLLOWS

- Solo travelers 32%
- Adults only 39%
- Adults with kids 29%



Family Travel

According to the Travel Industry Association (TIA, www.tia.org), 24% of household trips, or 134.9 million trips, include children under 18. Of those trips which include children, 87% are for leisure, nearly half of which are taken to visit friends or relatives. About 43% of overnight trips with children include a hotel stay.

THE PERCENTAGES OF THOSE ON TRIPS WITH CHILDREN ENGAGING IN VARIOUS ACTIVITIES ARE AS FOLLOWS

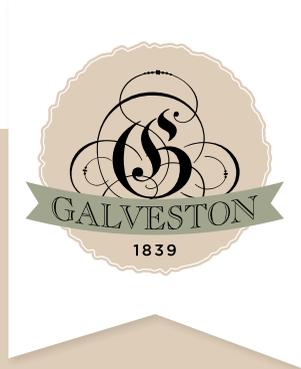
- Shopping 37%
- Outdoor activities 21%
- Historical places/museums 14%
- Theme/amusement parks 15%



Texas Attractions

SOURCE: TEXAS TRAVEL FACTS 2008

RANK	FOR NON-TEXANS	RANK	FOR TEXANS
1	Alamo	1	SAN MARCOS OUTLET MALLS
2	River Walk	2	Alamo
3	Six Flags over Texas	3	River Walk
4	Houston Space Center	4	State Capitol
5	Fort Worth Stockyards	5	Six Flags over Texas
6	Sea World of Texas	6	Sea World of Texas
7	State Capitol	7	South Padre Island
8	Texas Motor Speedway	8	Fiesta Texas
9	Ameritrust Field	9	San Antonio Zoo
10	Texas Stadium	10	MOODY GARDENS
11	South Padre Island	11	Astroworld
12	SAN MARCOS OUTLET MALLS	12	Minute Maid Field
13	MOODY GARDENS	13	Schlitterbahn (New Braunfels)
14	Padre Island National Seashore	14	Ameritrust Field
15	Texas State Aquarium	15	Padre Island National Seashore
16	Astroworld	16	Fort Worth Stockyards
17	Fort Worth Zoo	17	USS Lexington
18	San Antonio Zoo	18	Fort Worth Zoo
19	Schlitterbahn (New Braunfels)	19	Texas State Aquarium
20	Fiesta Texas	20	Houston Space Center
21	LBJ Library	21	Texas Motor Speedway
22	Minute Maid Field	22	Texas Stadium
23	Big Bend National Park	23	Bush Presidential Library
24	USS Lexington	24	Texas State Railroad
25	JFK Assassination Site	25	Big Bend National Park
26	Bush Presidential Library	26	LBJ Library
27	GALVESTON STRAND	27	Texas State Fair
28	GALVESTON ISLAND	28	Houston Zoo
28	Southfork Ranch	28	Bob Bullock Texas State History Museum
28	Commemorative Air Force Museum	28	GALVESTON ISLAND



Analogue Tourist Destinations

SOURCE: 2008 TRAVEL & TOURISM MARKET RESEARCH HANDBOOK

RESORT	# TOURISTS (IN MILLIONS)	VISITOR EXPENDITURE (IN MILLIONS)
Galveston, TX	7.0	\$372.0
Blowing Rock, NC	2.0	\$164.0
Branson, MO	7.3	\$1,500.0
Hilton Head, SC	2.3	\$200.0
Myrtle Beach, SC	12.7	\$2,100.0
Outer Banks, NC	5.0	\$646.0
Pigeon Forge, TN	11.2	\$777.0
Rehoboth Beach, DE	6.2	\$870.0
Williamsburg, VA	4.0	\$632.0



Tourist Market Comparison

TOTAL VISITORS, TOTAL VISITOR EXPENDITURES, AND OUTLET RETAIL SQUARE FOOTAGE

RESORT	# VISITORS (IN MILLIONS) ¹	VISITOR EXPENDITURES (IN MILLIONS) ¹	TL SF OF OUTLET RETAIL	SF OF OUTLET RETAIL/VISITOR
Galveston, TX	7.0	\$372.0	0	0
Blowing Rock, NC	2.0	\$164.0	104,235 ²	.052 SF/Visitor
Branson, MO	7.3	\$1,500.0	602,992 ⁴	.083 SF/Visitor
Hilton Head, SC	2.3	\$200.0	196,000 ²	.085 SF/Visitor
Myrtle Beach, SC	12.7	\$2,100.0	827,000 ³	.065 SF/Visitor
Outer Banks, NC	5.0	\$646.0	82,178 ²	.017 SF/Visitor
Pigeon Forge, TN	11.2	\$777.0	869,038 ⁴	.078 SF/Visitor
Rehoboth Beach, DE	6.2	\$870.0	568,868 ²	.092 SF/Visitor
Williamsburg, VA	4.0	\$632.0	668,404 ³	.167 SF/Visitor
				Average = .080 SF/Visitor
				Average w/o highest & lowest = .076 SF/Visitor
¹ Source: The 2008 Travel & Tourism Market Research Handbook ² One Outlet Center in Market ³ Two Outlet Centers in Market ⁴ Three Outlet Centers in Market				

SAN MARCOS OUTLETS	SF
Prime Outlets	672,093
Tanger Outlets	441,929
TOTAL	1,114,022 SF

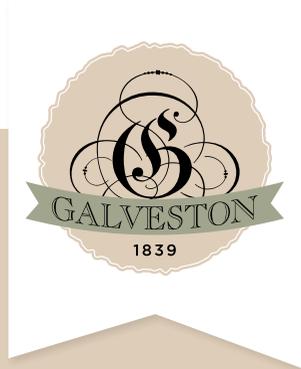
***SUPPORTABLE OUTLET CENTER SF IN GALVESTON = .076 SF/VISITOR X 7.0 MILLION VISITORS = 532,000 SF**



Galveston Island Factory Outlet Center

MERCHANDISING PLAN

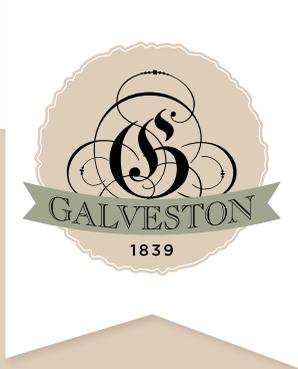
MERCHANDISE CATEGORY	PHASE 1	PHASE 2	TOTAL CENTER SF
Anchors	16,000	-	16,000
Accessories, Luggage & Jewelry	12,500	2,000	14,500
Mens' & Women's Apparel	68,100	25,000	93,100
Men's Apparel	18,000	-	18,000
Women's Apparel	23,500	25,000	48,500
Children's Apparel	20,000	16,000	36,000
Footwear	31,000	28,000	59,000
Specialty Stores	21,500	34,000	55,500
Restaurants	—	16,000	16,000
Food Court	—	11,000	11,000
TOTAL	210,600	157,000	367,600



Theme Park – Waterpark Correlation

THEME PARK	# OF VISITORS	WATERPARK	# OF VISITORS	WATER PARK/ THEME PARK CORRELATION FACTOR
Magic Kingdom (Orlando)	16,160,000	Typhoon Lagoon & Blizzard Beach	3,950,000	24.5%
Dollywood (Pigeon Forge)	2,360,000	Splash Country	491,000	20.8%
Busch Garden (Williamsburg)	2,600,000	Water Country, USA	700,000	26.9%
			AVERAGE	23.9%
Potential Theme Park (Galveston)	2,218,000	Schlitterbahn (Galveston)	530,000	23.9%

It is estimated that an Amusement Park in Galveston would attract over 2.2 million visitors per year, based on The Schlitterbahn's 530,000 visitors per year.



Galveston Island Theme Park Plan

A CHECKLIST FOR AN IDEAL THEME AMUSEMENT PARK

- POPULATION:** The Houston market offers a large potential market for Galveston. The current annual tourist market of 5.5-7.0 million is an excellent starting base.
- TRANSPORTATION:** I-45 provides a direct, fast pipeline into Galveston from the Houston Metropolitan Area.
- WEATHER:** The temperate climate in Galveston year round offers an ideal venue for operating a theme park year round.
- TOURISM INFRASTRUCTURE:** With Moody Gardens, The Schlitterbahn, the Historic District and the beaches, Galveston already has hotels, rental beach homes, restaurants and other amenities. This encourages families to have a multi-day vacation.

A CHECK LIST OF RIDES FOR A SUCCESSFUL THEME PARK

- A signature roller coaster
- Carousel
- Balloon Wheel
- Bouncer
- Tilt Wheel
- Train
- Ferris Wheel
- Tower Drop
- Train
- Bumper Cars
- Games Arcade
- Performance Amphitheater



Job Creation for Theme Parks

THEME PARK	# OF VISITORS (MILLIONS)	# OF SEASONAL EMPLOYEES	% CORRELATION EMPLOYEES/VISITORS
Busch Gardens Williamsburg, VA	2.6	3,000	.0012/visitors
Dollywood Pigeon Forge, TN	2.36	1,900	.0008/visitors
Six Flags over Texas Arlington, TX	2.31	1,800	.0008/visitors
Paramount's Kings Dominion Richmond, VA	2.22	1,300	.0006/visitors
Paramount's Great America Santa Clara, CA	2.07	1,300	.0007/visitors
Six Flags over Georgia Cobb County, GA	2.05	2,765	.0014/visitors
Silver Dollar City Branson, MO	1.91	1,993	.0011/visitors
		Average	.00094 employees/ visitor

Projected Jobs Creation for Galveston Amusement Park

Projected visitors x .00094 employees/visitor = number of projected jobs
 2,180,000 visitors x .00094 employees/visitor = 2,049 seasonal jobs



UTMB Centric Mixed-Use Village

RETAIL	
Organic Grocer	36,000 SF
Pharmacy	12,000 SF
Quick Service Restaurants	6,000 SF
Full Service Restaurants	10,000 SF
Campus Bookstore	16,000 SF
Upscale Specialty Stores	20,000 SF
TOTAL RETAIL SF	100,000 SF
RESIDENTIAL	
PHASE 1	100 UNITS of Upscale Apartments
PHASE 2	100 UNITS of Upscale Apartments
Total Residential Units	200 UNITS
HOTEL	
	120-ROOM Limited Service Suites Hotel



Emory Point (Atlanta Georgia)

MIXED-USE VILLAGE DESIGN FEATURING RETAIL & RESIDENTIAL





Potential Job Creation

STRATEGY	CONSTRUCTION	PERMANENT
Factory Outlet Center	300	800 FT/PT
Theme Park	400	2,000 Seasonal
Mixed-Use Village	300	400 FT/PT
TOTAL	1,000	3,200

Downtown Master Plan



Burrell Saunders
H&A Architects & Engineers



Galveston Downtown Seaport





Planning Process

Orientation Meeting (May 19, 2009)

- Project Schedule
- Team Introduction

Project Initiation (June 23, 2009)

- HDG Partnership Steering Committee Meetings
- Advisory Committee Meeting
- District Data Collection & Assembly
- Stakeholder interviews

Development Program & Visioning (July 21 & 22, 2009)

- Urban Design Development Analysis
- Bus Tour
- Community Goals & Vision Workshop

Draft Master Plan (Approved January 2010)

- Community Input Report
- Draft Master Plan Report

Visioning & Master Plan (Contract Approved August 2010, Completion October 2010)

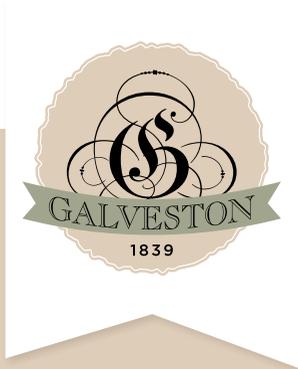
- Final Master Plan
- Visioning
- Retail Strategy Report
- Port Strategy Report
- Development Strategy Report

Presentation to Community Participants (October 2010)

- Steering Committee
- Advisory Committee
- Public

Presentation (October 2010)

- Planning Commission
- City Council



Goals from Historic Downtown Galveston

The prerequisite of these goals is that they will preserve the historic fabric and character of the downtown, and that all solutions shall strive for **social / cultural, environmental and economic sustainability.**

1. Attract outside capital to invest in the downtown districts and waterfront of Galveston.
2. Attract development interest to develop properties within the downtown and waterfront areas.
3. Recognize, Preserve, and Celebrate historic resources and community assets
4. Attract and strengthen the retail community by providing opportunities that are practical in today's marketplace.
5. Diversify and expand the job base.
6. Protect core jobs.
7. Create a holistic public space that can become an icon for community pride and social functions for the greater region.
8. Re-energize the downtown area as a 24/7 community.
9. Offer an alternative lifestyle district where citizens have the opportunity to live, work, shop, socialize, and be entertained within a pedestrian friendly 1/2 mile radius, without having to depend on transportation.
10. Create a comprehensive masterplan and develop standards which provide a guideline for quality development initiatives.
11. Identify the amenities and special qualities of Galveston so that it can be packaged into a clear vision that will draw regional and national attention.
12. Consider means to mitigate flooding of Downtown.
13. Attract anchor activities that will create retail and pedestrian traffic.



Waterfront Restoration Aerial View





Historic Downtown Aerial View



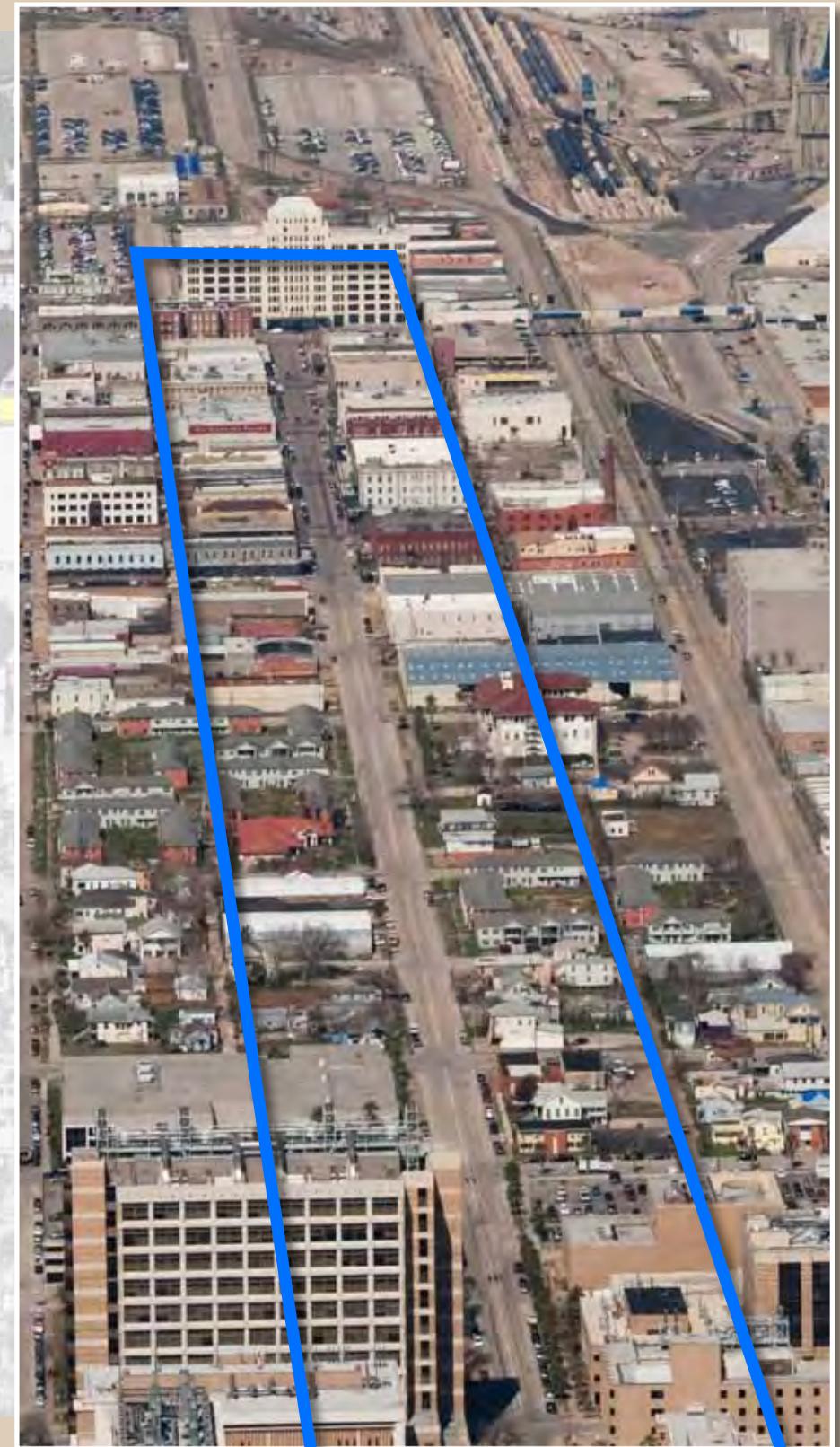
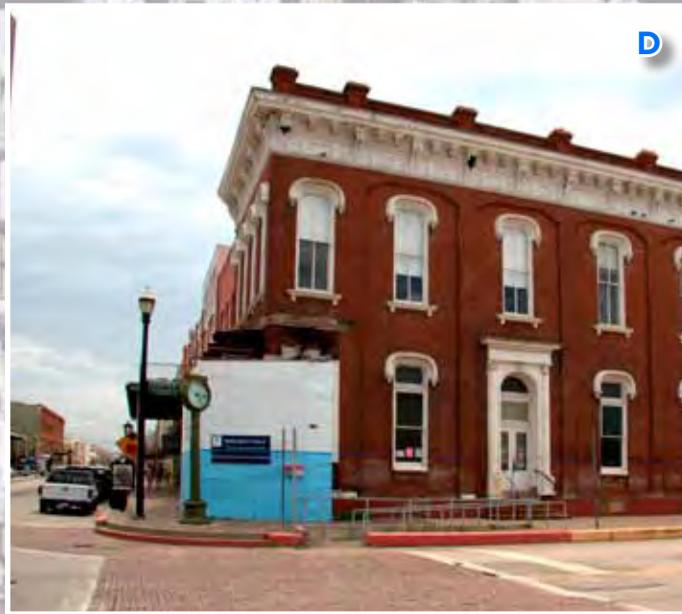


Study Area Boundaries



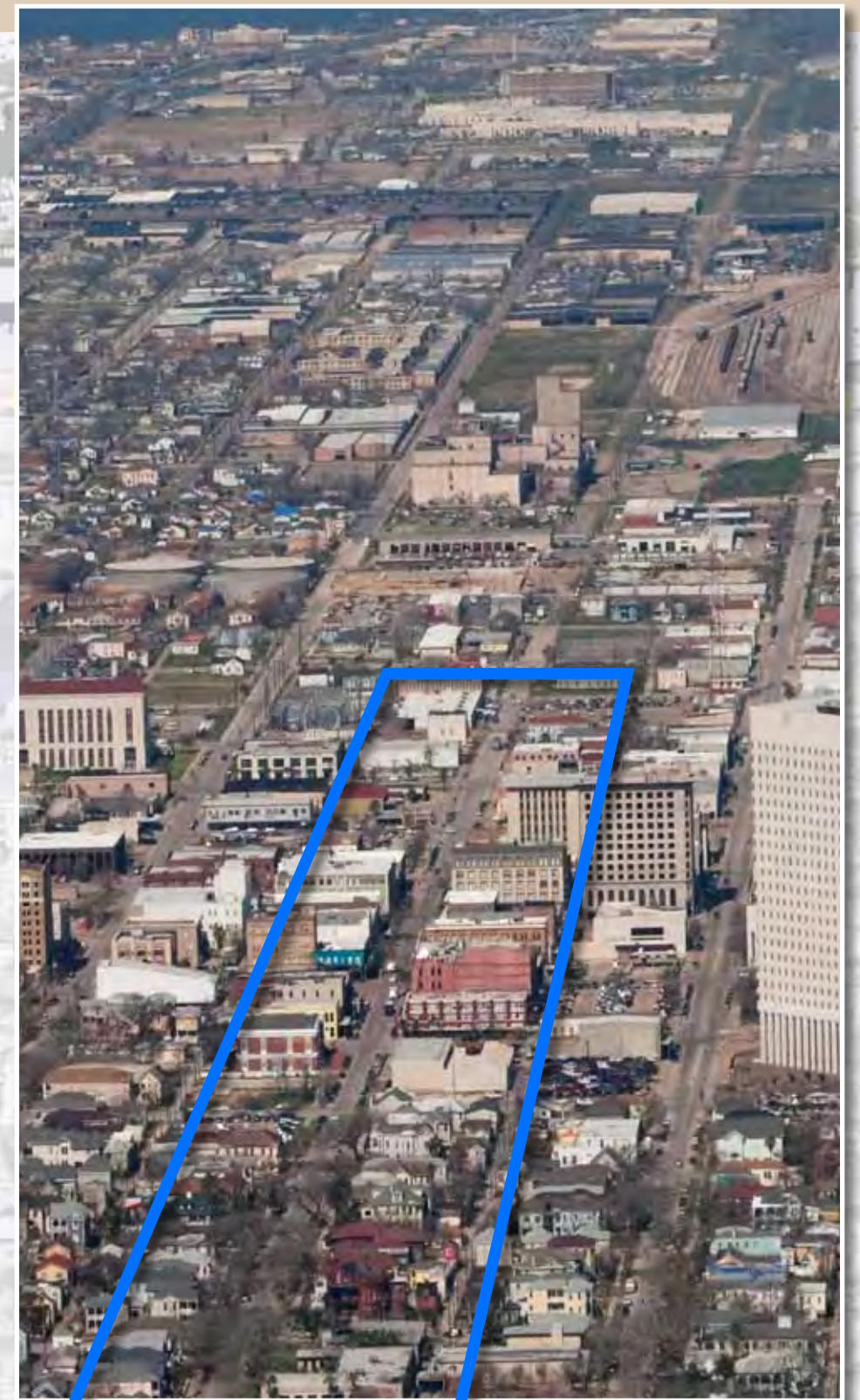
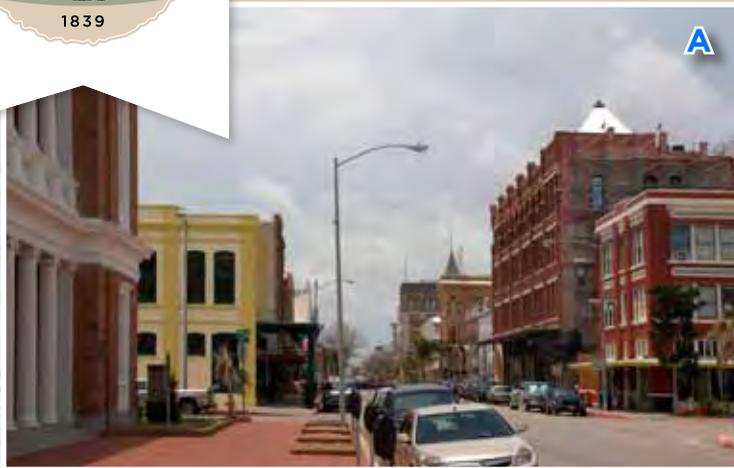


Strand Street





Post Office Street





Current Conditions: Historic Architecture



Strand Street



Strand Street



Strand Street



Mechanic Street



Post Office Street

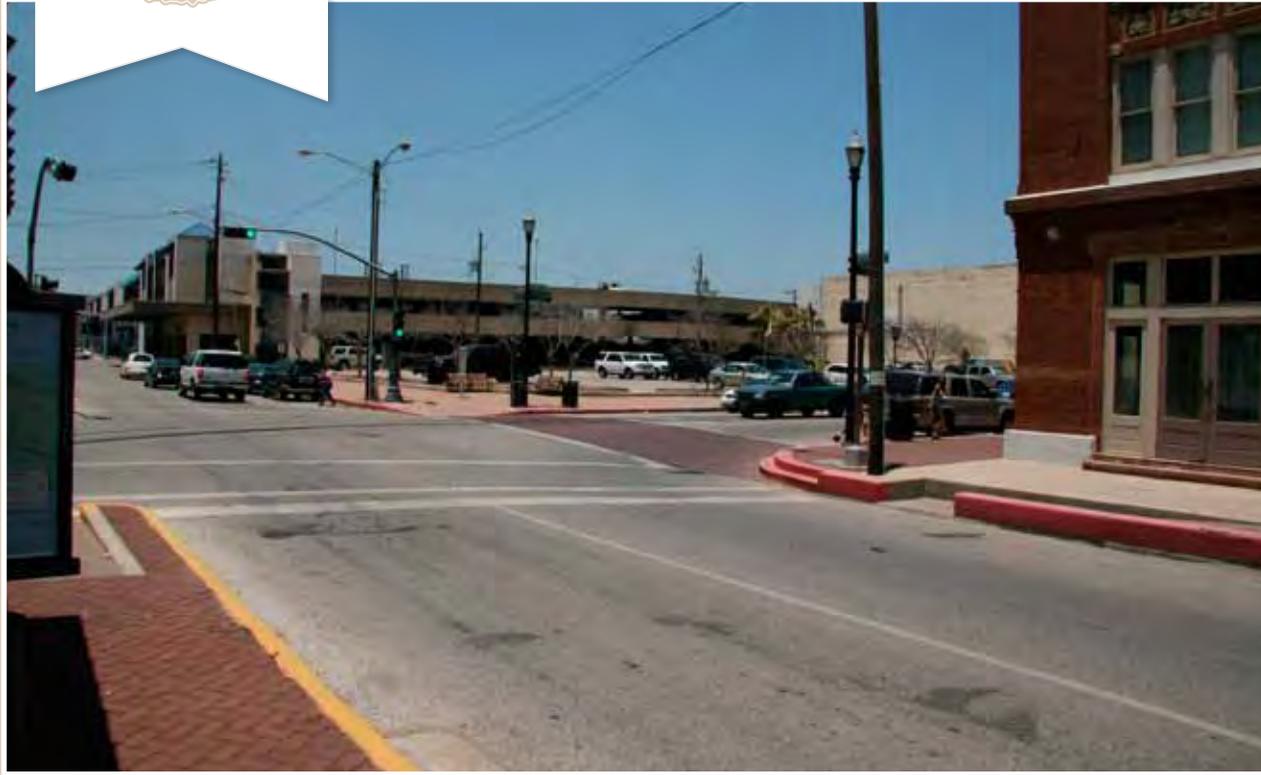


Mechanic Street



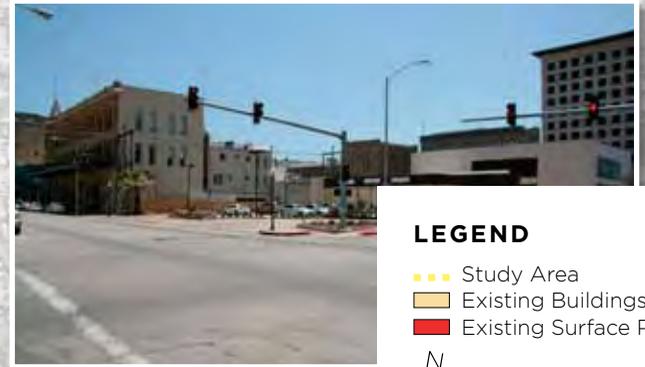
Current Conditions: Surface Lots

Surface Parking Lots Throughout the Historic District, Many Located on Prominent Corners





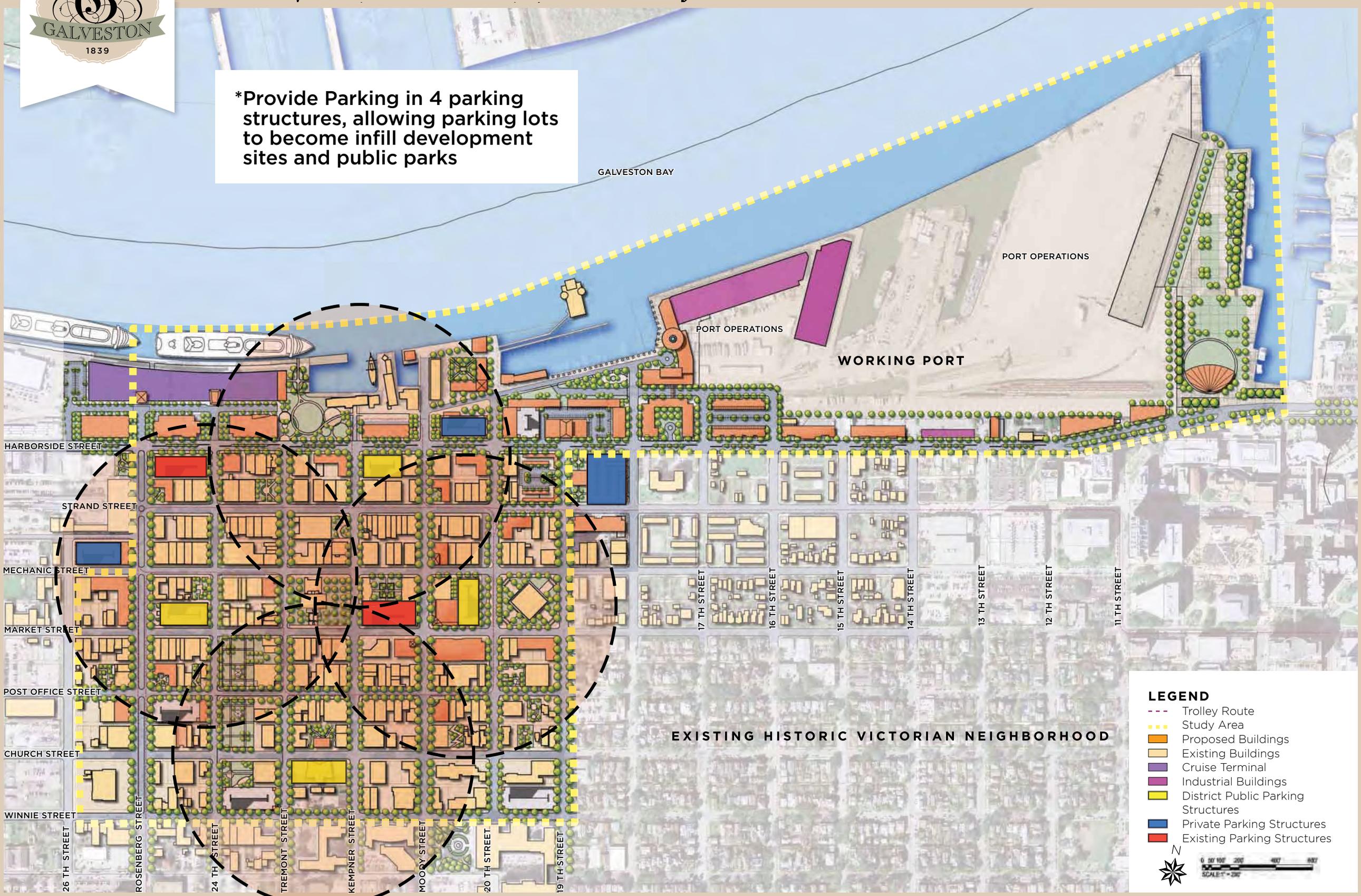
Existing Parking Lots





Proposed New Parking Structures

*Provide Parking in 4 parking structures, allowing parking lots to become infill development sites and public parks



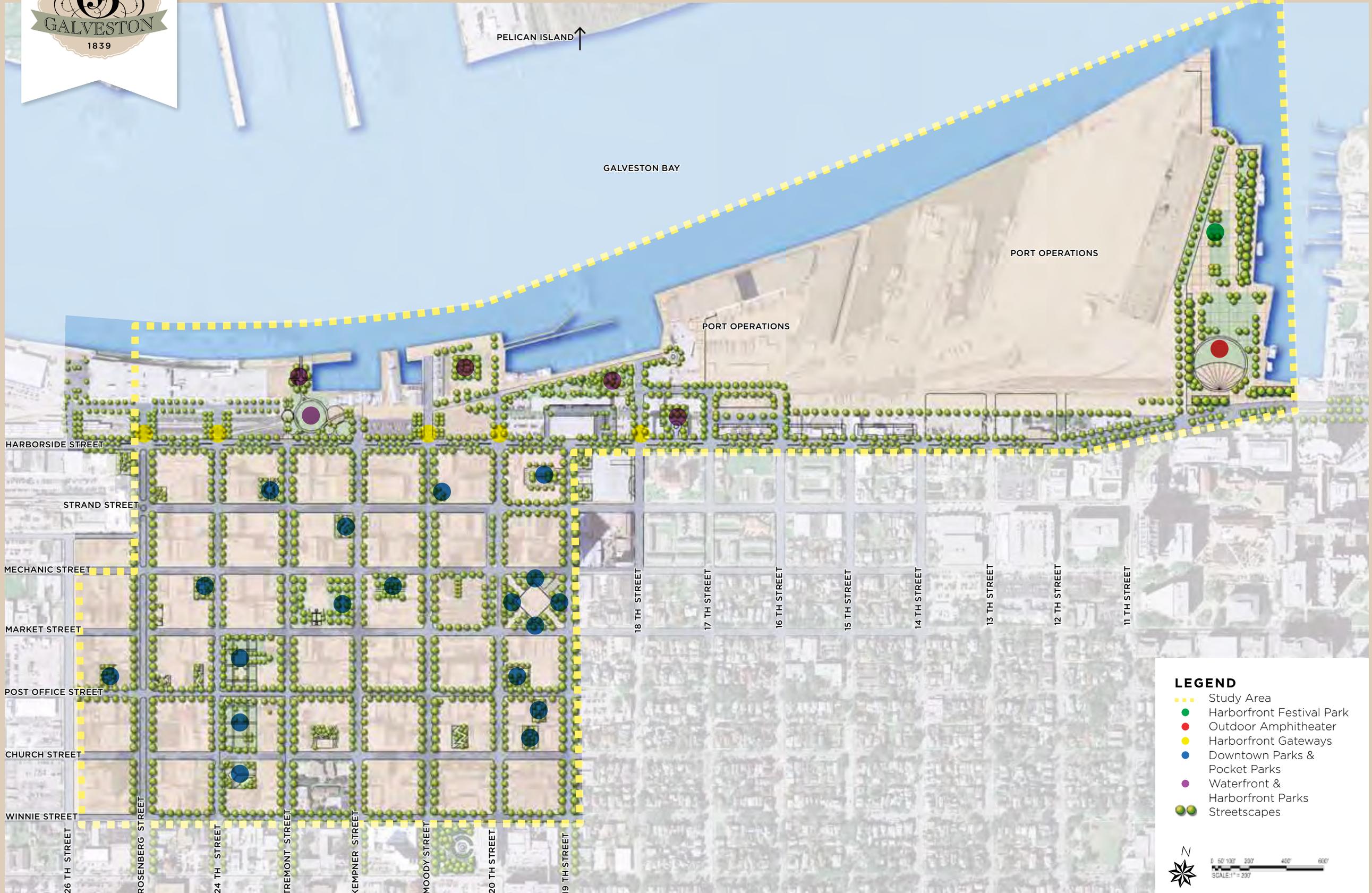
LEGEND

- - - Trolley Route
- Study Area
- Orange square Proposed Buildings
- Light orange square Existing Buildings
- Purple square Cruise Terminal
- Yellow square Industrial Buildings
- Yellow square District Public Parking Structures
- Blue square Private Parking Structures
- Red square Existing Parking Structures

Scale: 0 100 200 400 Feet
SCALE = 1" = 200'



Parks & Streetscapes





Infill Development



LEGEND

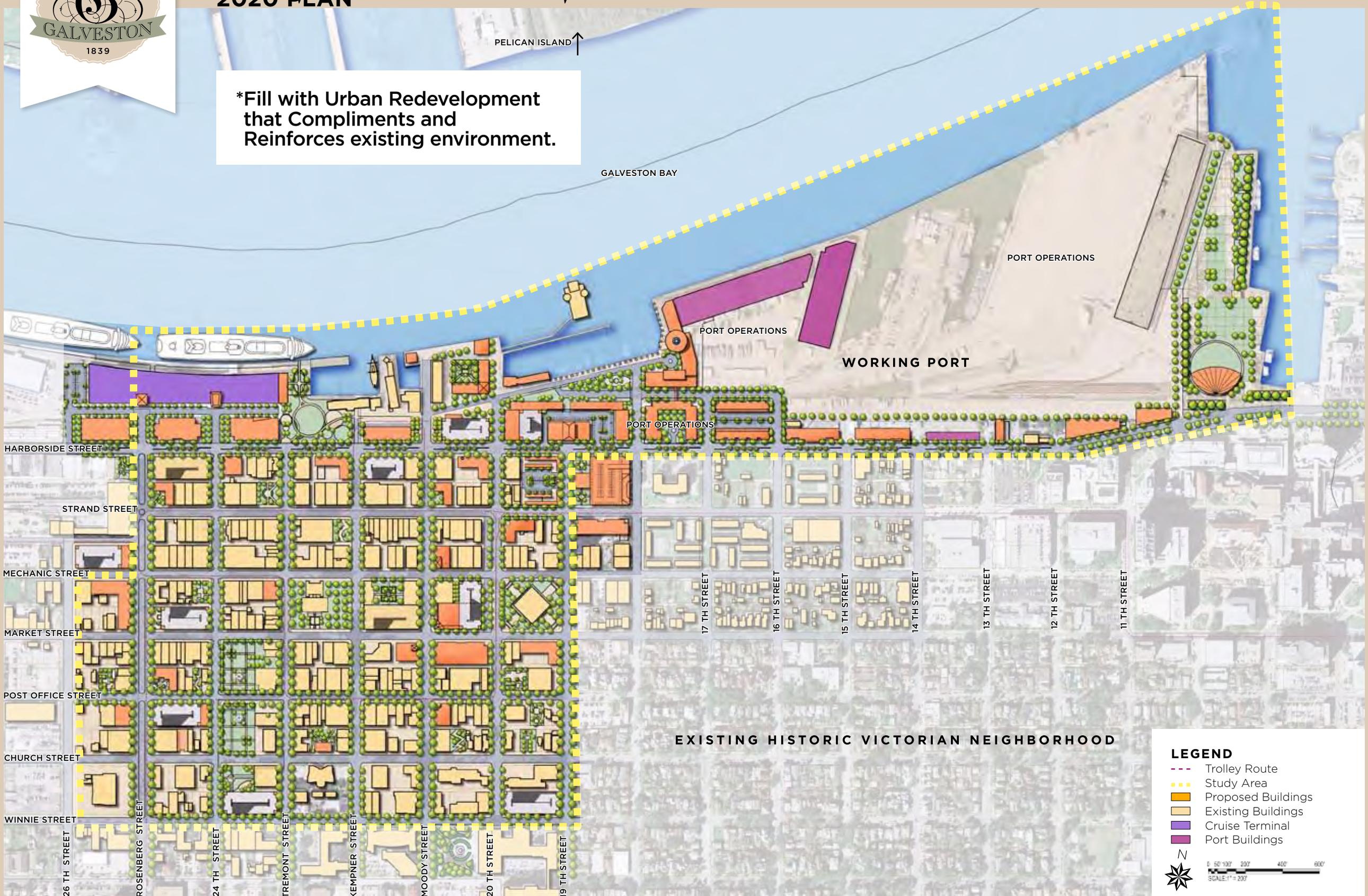
- Study Area
- Existing Buildings
- Cruise Terminal
- Port Buildings
- Infill Buildings
- Open & Green Space

0 50 100 200 400 600
 SCALE: 1" = 200'



Proposed Masterplan 2020 PLAN

***Fill with Urban Redevelopment that Compliments and Reinforces existing environment.**



LEGEND

- Trolley Route
- Study Area
- Proposed Buildings
- Existing Buildings
- Cruise Terminal
- Port Buildings

N

0 50 100 200 400 600'
SCALE: 1" = 200'



Public Realm: Parks & Outdoor Spaces

***At present, Galveston has little to no quality open spaces within the historic district**



LEGEND

- - - Trolley Route
- Study Area
- Proposed Buildings
- Existing Buildings
- Cruise Terminal
- Industrial Buildings
- Green Space

N

0 50 100 200 400 600

SCALE: 1" = 200'





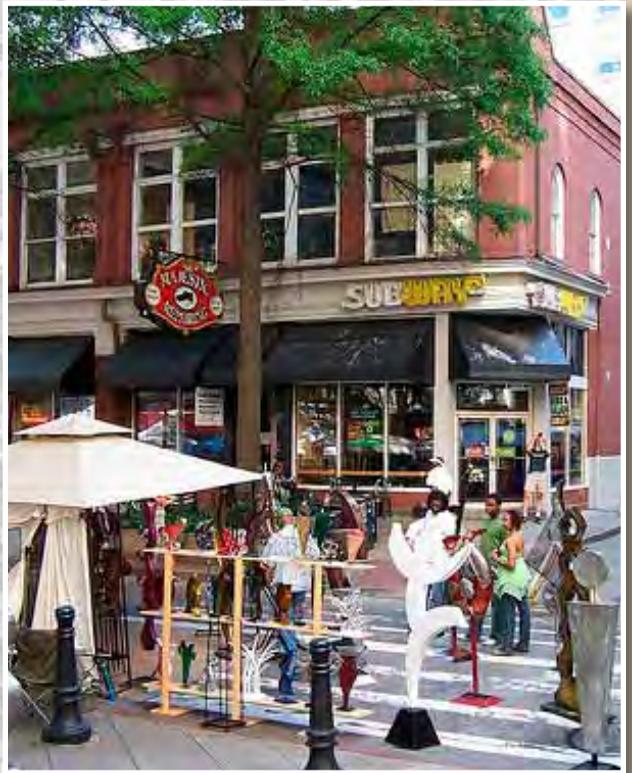
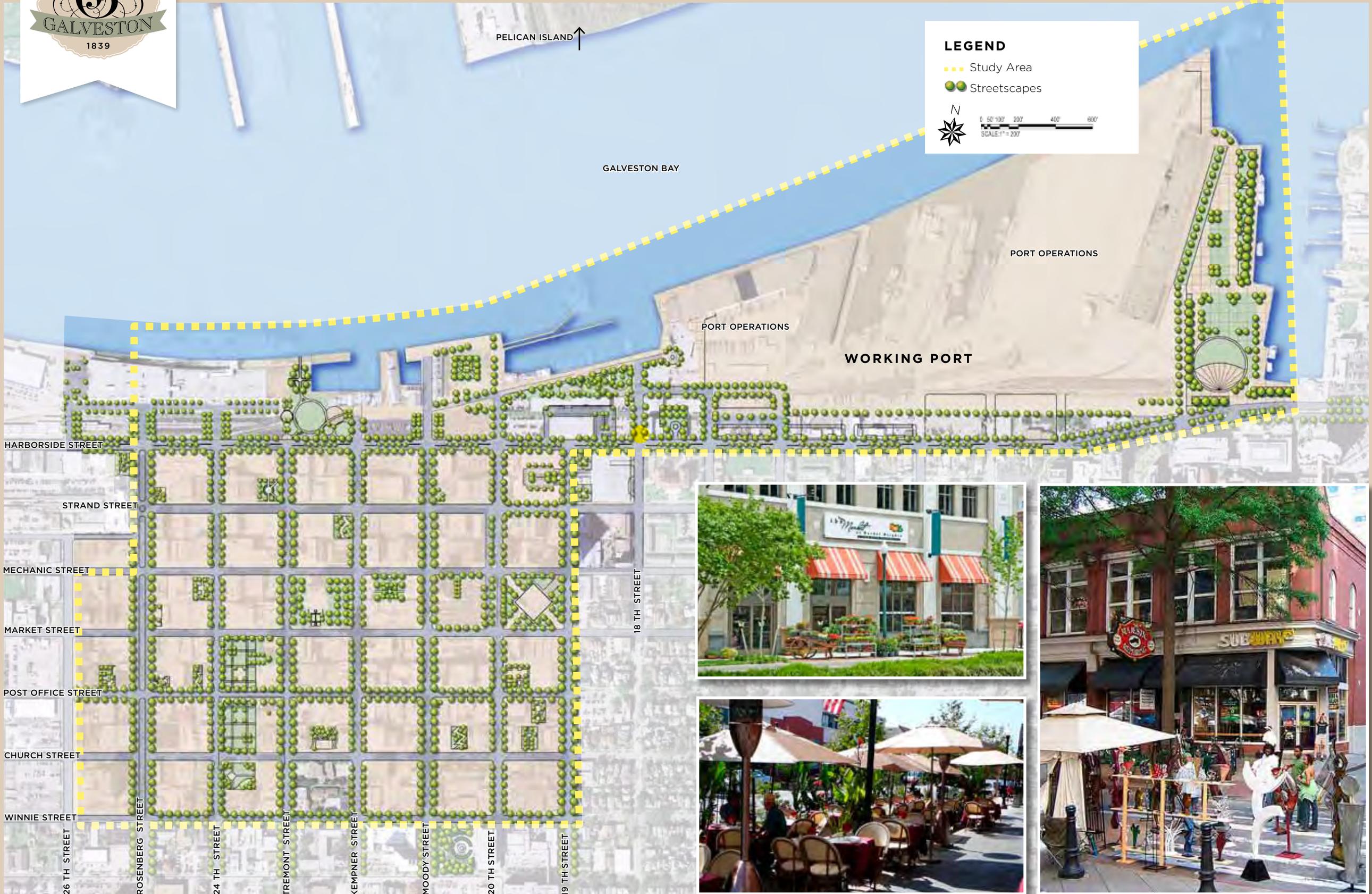
Transportation Plan

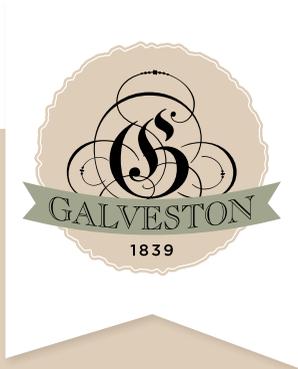
***Internal Study Area easily understood and accessible by residents and visitors through multi-modal transportation and wayfinding system**





Streetscapes & Parks Program





Mixed Use Plan: Urban Placemaking & Human Scale

Full Range of Mixed Uses:

- Retail
- Hospitality
- Diversity of Residential
- Entertainment
- Cultural Arts
- Educational
- Religious Institutions
- Governmental
- Port
- Tourism
- Recreational
- Healthcare
- Offices & Workplaces
- Etc.

Placemaking is the act of developing a Public Space as a Living Space. It is not simply the act of building or fixing up a space, but an integrated process that fosters the creation of vital public destinations, places where people feel a strong stake in their communities and a commitment to making things better. It capitalizes on a local community's assets, inspiration, and potential, ultimately creating good public spaces that promote health, happiness, and well-being.

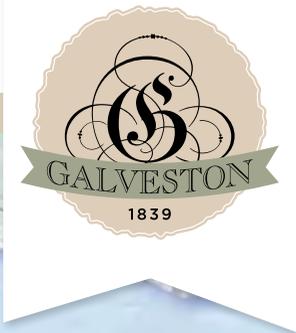
Throughout the planning process, the public has expressed their needs and desires concerning spaces in the Historic Downtown and Seaport; "it would be a better place if it felt safer and more pleasant for pedestrians." "There should be a places where my kids can play!..." "We would very much like to see the scale of the area evolve to incorporate the waterfront into the historic downtown."

The Urban Master Plan will provide different centers of activity. In addition, rather than isolating zones of activities, the Plan defines transitional zones, characterized by gradual decreases in the building heights. In these areas development will gradually step down

from taller, denser, mixed-use, activity center to lower areas around the edges of the surrounding neighborhoods. The goals are to encourage the community to reclaim their streets as gathering spaces and to help transform the policies and practices of the transportation industry that currently favor and prioritize movement of vehicles over people.

Downtown streets will become destinations worth visiting, not just thruways to and from the workplace. Neighborhood streets will be places where parents feel safe letting their children play, and commercial strips such as Harbourside will be converted into grand avenues, safe for walking and cycling and allowing for both through and local traffic. Transit stops and stations can improve communities and make commuting by rail or bus a pleasure.

When we focus on making a place, instead of a specific set of rigid criteria, we tend to do things differently. When we realize that our environment is designed for the human scale and everything we need for our everyday life is within easy reach, we are happier, more relaxed and more fulfilled.



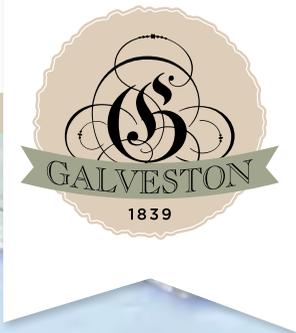
Markets & Retail (Anchor Uses)



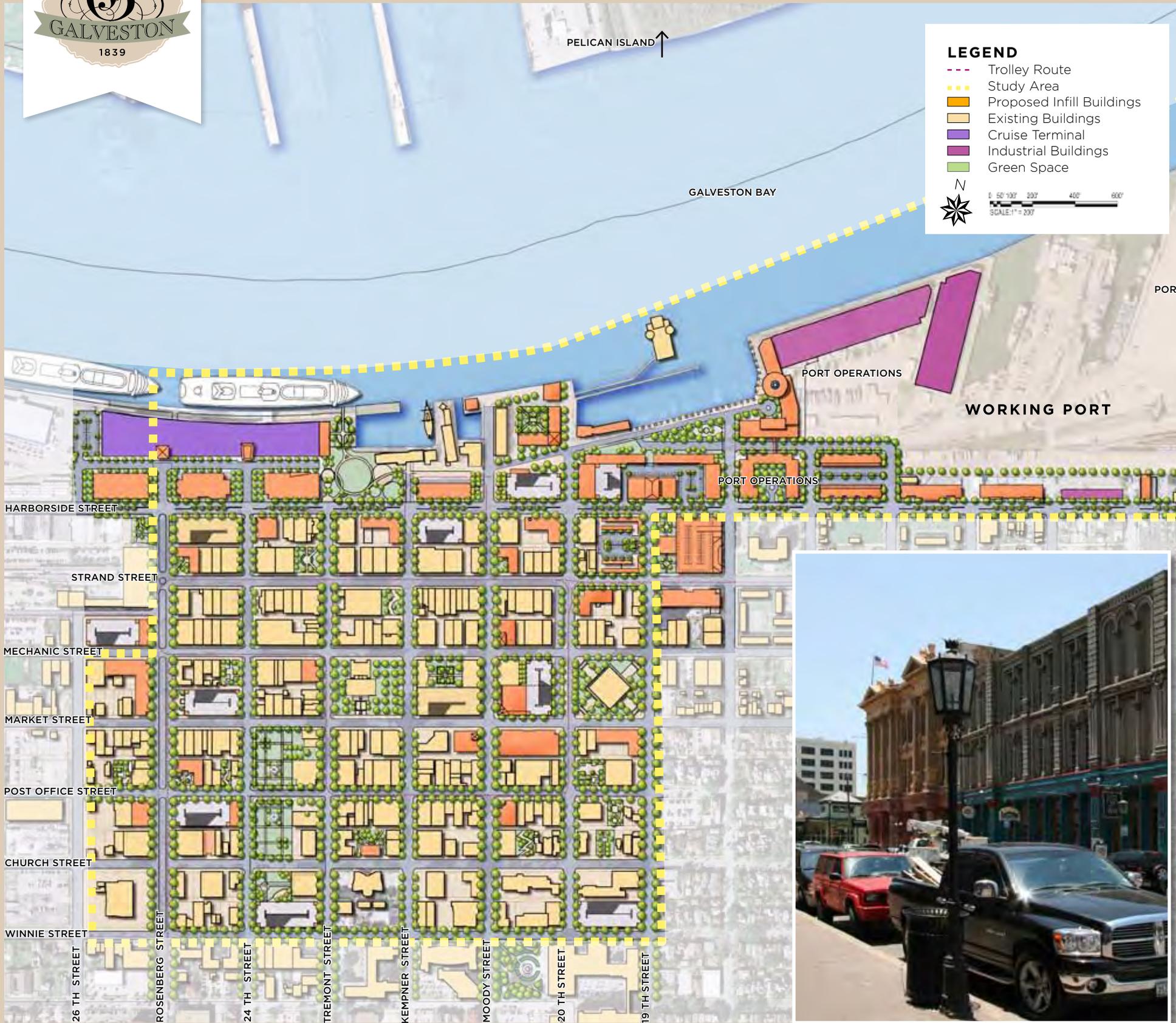


The Arts and Education





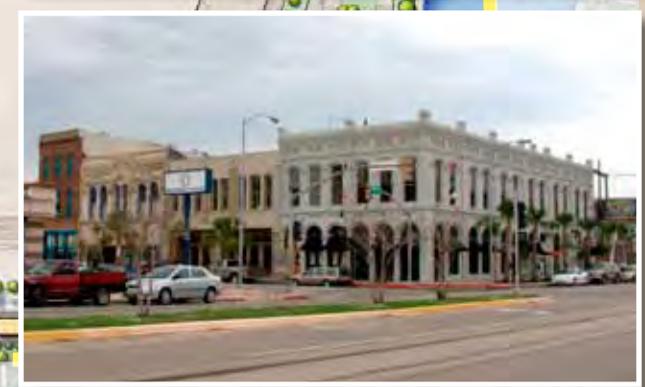
Businesses and Workplaces

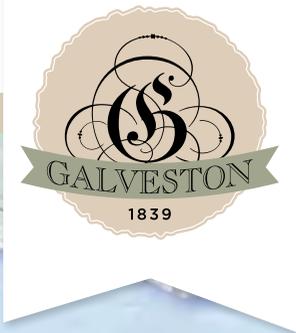


LEGEND

- - - Trolley Route
- Study Area
- Proposed Infill Buildings
- Existing Buildings
- Cruise Terminal
- Industrial Buildings
- Green Space

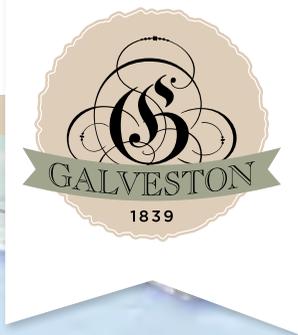
Scale: 1" = 200'





Housing





Seaport Promenade & Park Amenities





Harborside Drive Conversion

EXISTING CONDITIONS





Harborside Drive Conversion

PROPOSED STREETScape - PHASE I





Harborside Drive Conversion

PROPOSED STREETScape - PHASE II





Harborside Drive Conversion

PROPOSED STREETScape - PHASE III





Harborside Drive Conversion

PROPOSED STREETScape





Existing Parking Lot Conversion

EXISTING CONDITIONS





Existing Parking Lot Conversion

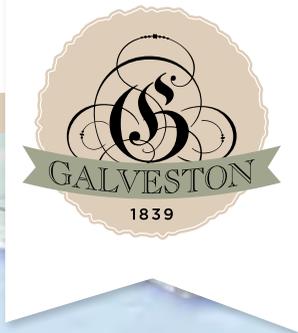
CONVERSION OF PARKING LOT TO PUBLIC PARK



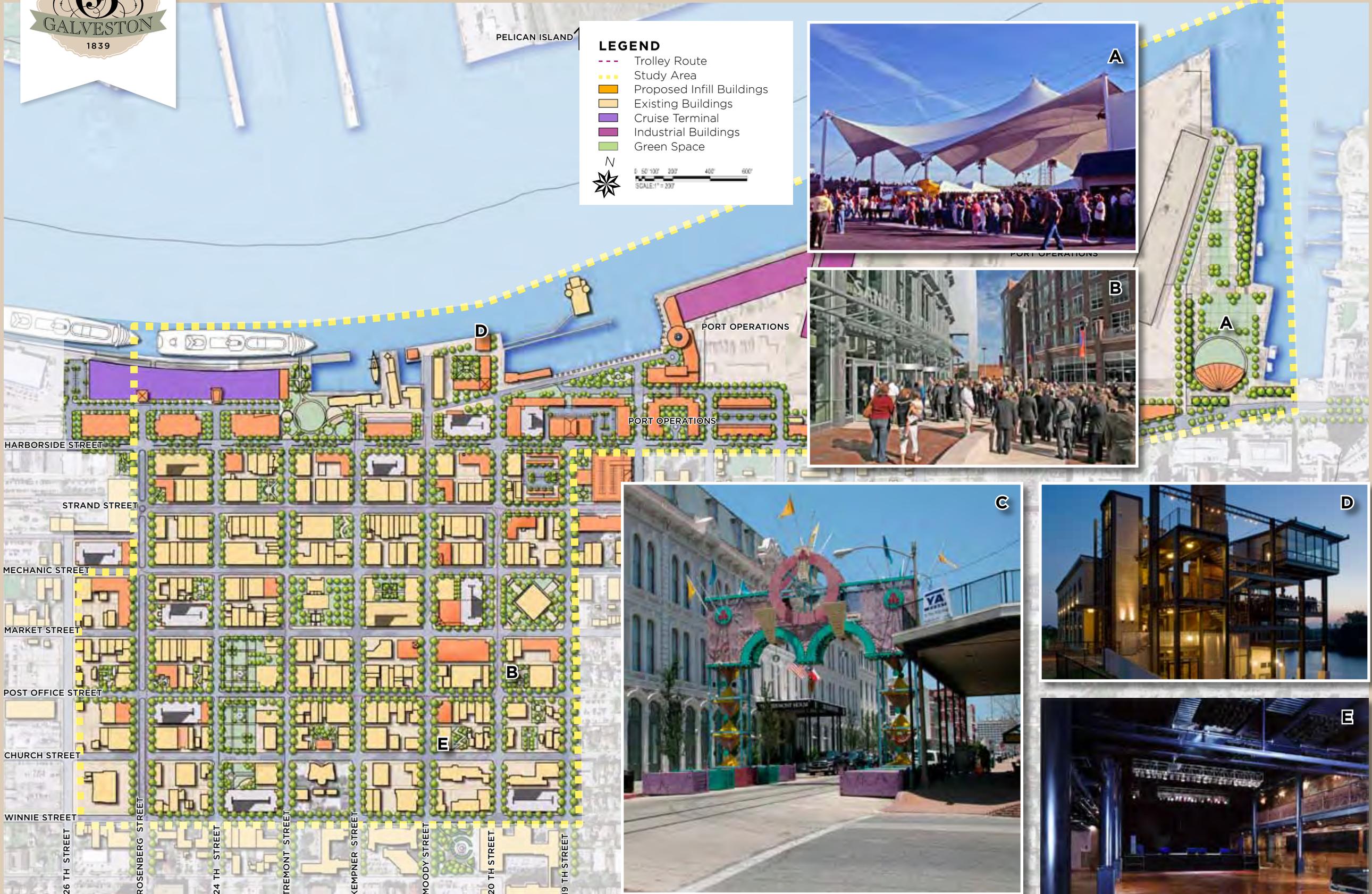


Existing Parking Lot Conversion





Entertainment & Festival Anchor Venues

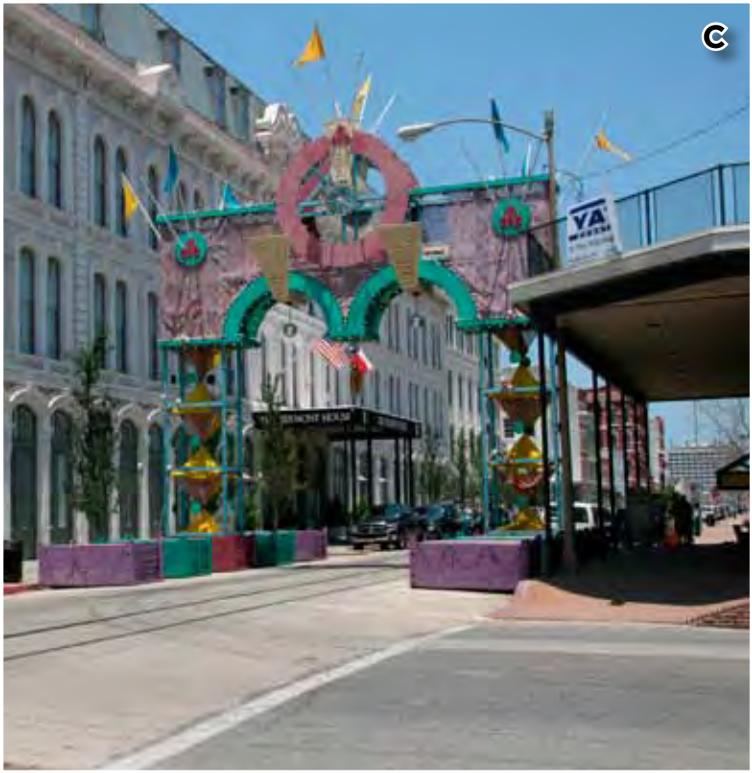


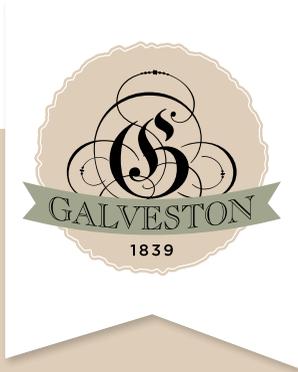
LEGEND

- Trolley Route
- Study Area
- Proposed Infill Buildings
- Existing Buildings
- Cruise Terminal
- Industrial Buildings
- Green Space

0 50 100 200 400 600

 SCALE: 1" = 200'





Principles for Downtown & Waterfront Redevelopment

Premier Urban Center.

- Re-establish the historic downtown seaport of Galveston Island as the premier historic urban center in the region.

Family-Friendly Environment.

- Celebrate the great history and tradition of Galveston Island in a family-friendly, pedestrian environment.

Connectivity.

- Connect neighborhoods, resort areas, and adjacent institutions to the historic district and waterfront.

Development Opportunities.

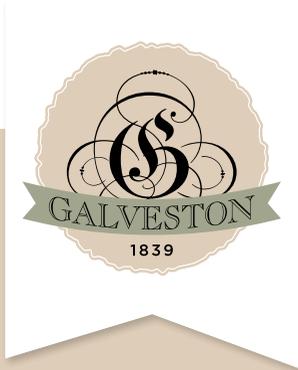
- Facilitate development opportunities and market expansion.

Jobs & Employment Opportunities.

- Protect existing jobs and expand job growth in downtown, ports, and the waterfront.

Housing.

- Offer a diversity of housing options.



Recommendations for Galveston Island

Urban Cooling.

- Introduce an urban “cooling” effect by developing an urban landscape strategy to include the development of parks, plazas, trails, and waterfront promenades interconnected with pedestrian-friendly streetscapes and bikeways.

Strategic Retail Plan.

- Create a vibrant first floor, pedestrian retail and entertainment strategy plan to include strategically placed key anchors that attract visitors and residents.
- Develop comprehensive downtown leasing plan that blends local, regional, and national retailers.

Mix of Uses.

- Create an upper floor mixed-use strategy plan to integrate a diverse variety of uses (i.e. workplace, educational, institutional, government, hospitality, housing, cultural, entertainment, medical, and support services).

Residential Diversity.

- Create residential strategy to integrate a diversity of housing choices within the historic and waterfront district.

Accessible Waterfront.

- Create an accessible waterfront for pedestrians and visitors to the island by providing a continuous promenade along the waterfront.

Port-of-Call.

- Better integrate cruise ship terminals to historic downtown waterfront district encouraging the visitors to extend their stay in Galveston and establish the possibility of a future “port-of-call” in Galveston.

Parking Strategy.

- Establish a comprehensive downtown parking strategy by utilizing shared parking principles and deck parking to allow grade parking lots to be reemployed as infill development sites.

Transportation System.

- Create an alternative transportation system connecting the gulf seawall area, adjacent neighborhoods, UTMB, UTMF, Moody Gardens and other island attractions.
- Create a downtown transportation plan that integrates pedestrians, bikes, and trolleys.

Historic Architecture.

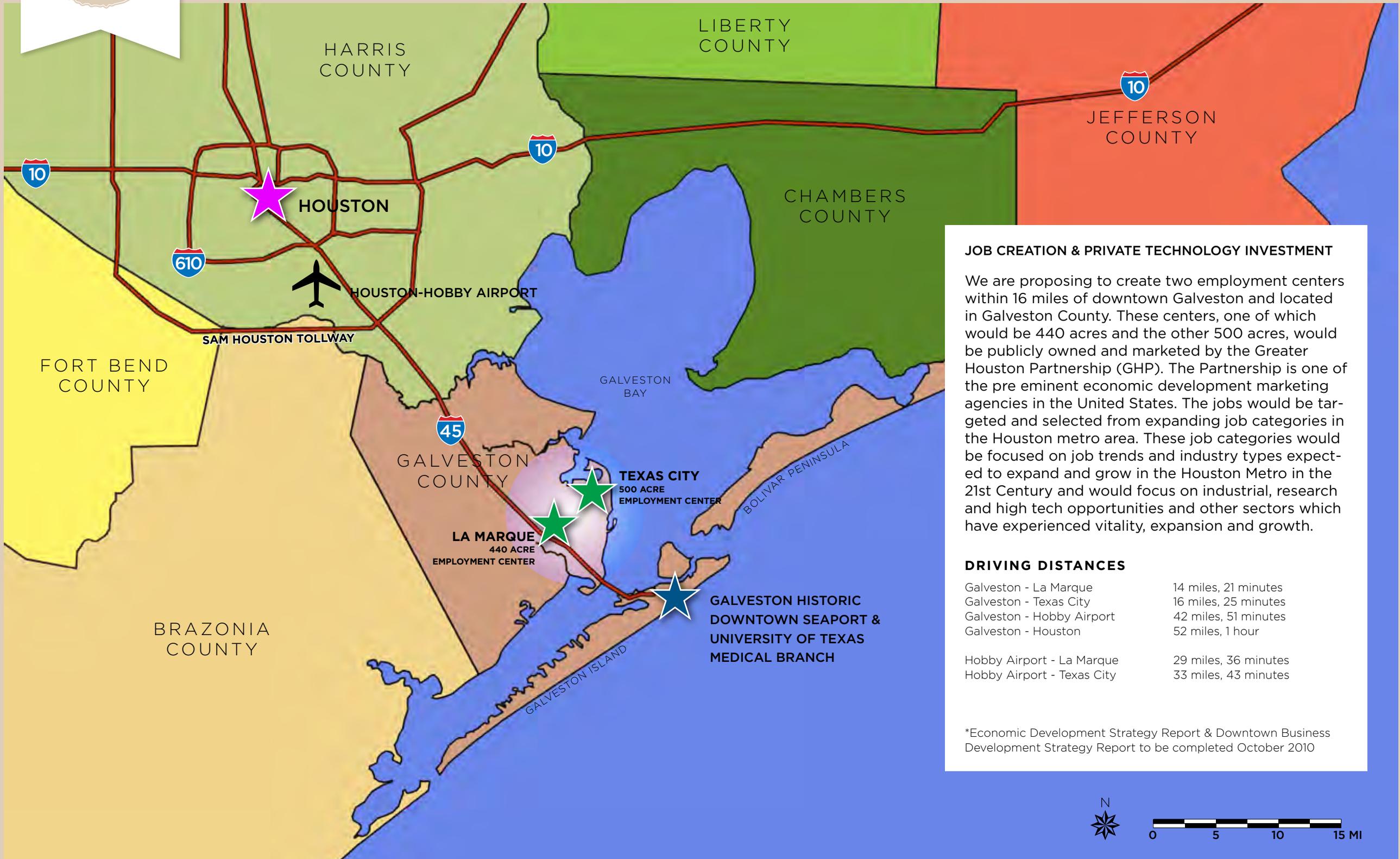
- Protect historic architecture and tell the story of the history of the island.
- Rebrand Historic Galveston as the Historic District of the Houston region.

Creating Regional Jobs.

- Create Regional Employment Center to expand options for attracting businesses.
- Expand the Master Plan area to connect UTMB campus and eastern waterfront into business strategy.



Recommended Regional Economic Job Creation



JOB CREATION & PRIVATE TECHNOLOGY INVESTMENT

We are proposing to create two employment centers within 16 miles of downtown Galveston and located in Galveston County. These centers, one of which would be 440 acres and the other 500 acres, would be publicly owned and marketed by the Greater Houston Partnership (GHP). The Partnership is one of the pre eminent economic development marketing agencies in the United States. The jobs would be targeted and selected from expanding job categories in the Houston metro area. These job categories would be focused on job trends and industry types expected to expand and grow in the Houston Metro in the 21st Century and would focus on industrial, research and high tech opportunities and other sectors which have experienced vitality, expansion and growth.

DRIVING DISTANCES

Galveston - La Marque	14 miles, 21 minutes
Galveston - Texas City	16 miles, 25 minutes
Galveston - Hobby Airport	42 miles, 51 minutes
Galveston - Houston	52 miles, 1 hour
Hobby Airport - La Marque	29 miles, 36 minutes
Hobby Airport - Texas City	33 miles, 43 minutes

*Economic Development Strategy Report & Downtown Business Development Strategy Report to be completed October 2010

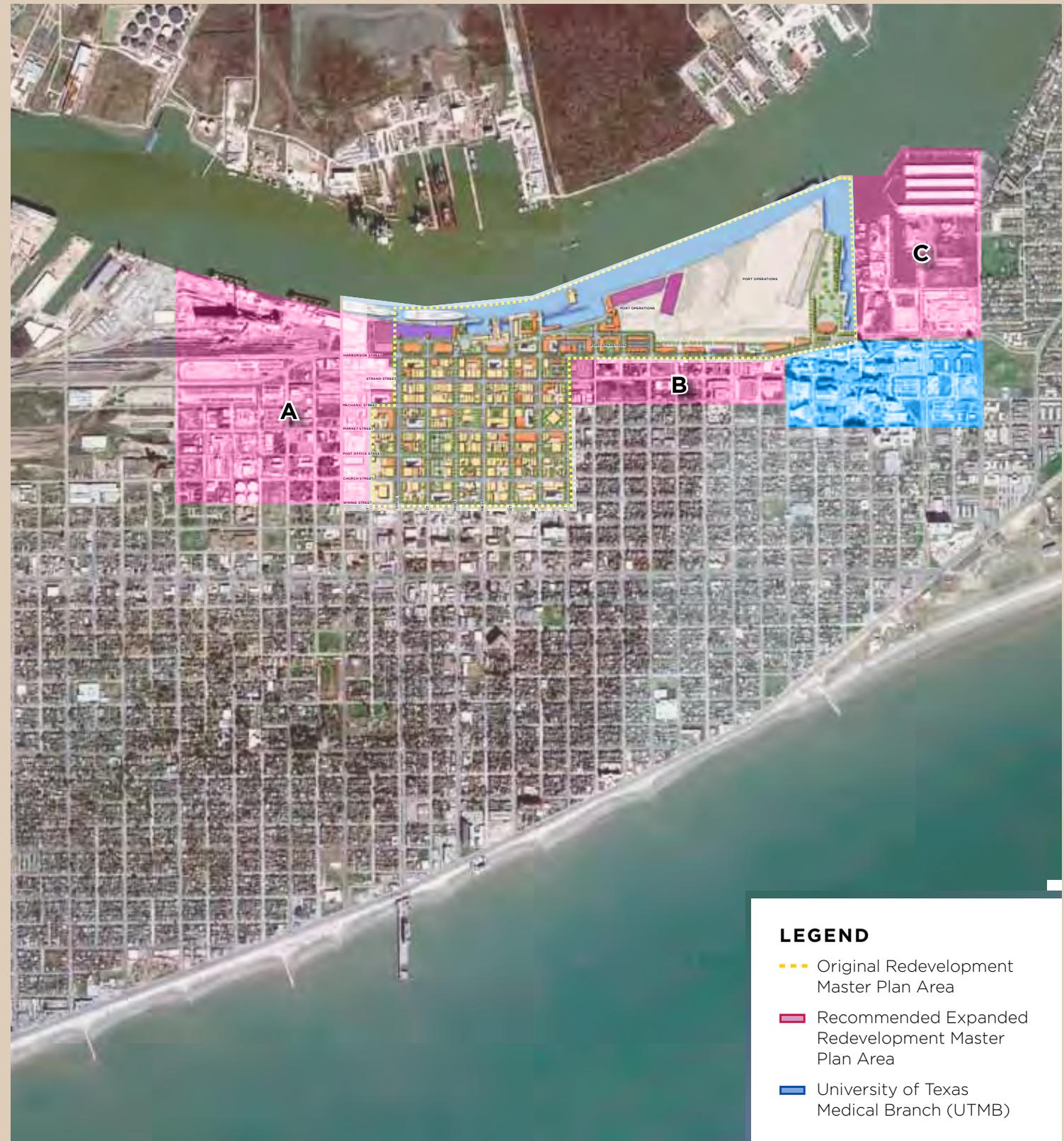




Recommended Expanded Study Area

In the course of conducting the initial study for the Waterfront and Historic District Redevelopment, H&A Architects and Engineers (formerly CMSS Architects) has identified three areas which we believe merit inclusion within the boundaries being considered for redevelopment. We are recommending the following additions to the study area:

- A** Extend the western boundary of the study area to 28th Street. This will allow the study area to include all of the cruise terminal facilities, as well as large expanses of vacant and underutilized land south of the cruise terminal. We believe that redevelopment of this area will be vital to increasing traffic between the cruise terminal, Stand, and Post office districts, and may provide an opportunity for locating a large parking structure that is closer to both the cruise terminal and the historic district retail/entertainment establishments than the existing surface parking serving the cruise passengers.
- B** Extend the eastern boundary of the Historic District portion of the study area to include the blocks east of 19th Street, between Market Street and Harborside Drive. This area will be important in establishing a link between UTMB, the Historic District, and the Waterfront. Many of the structures in this area were decimated by Hurricane Ike in 2008, and have been raised - leaving open lots that are now available for rebuilding/redevelopment. We recommend that this area be redeveloped into a high-quality, mixed-income neighborhood that will provide workforce housing as well as student and faculty housing opportunities for UTMB.
- C** Extend the eastern boundary of the waterfront portion of the study area (north of Harborside Drive) to include the Galveston Yacht Basin, and the blocks up to 4th Street. This area will be crucial to the development of a possible large entertainment venue along the waterfront, and potential high-end, high-density, mixed-use residential development needed to attract higher income, professional inhabitants.

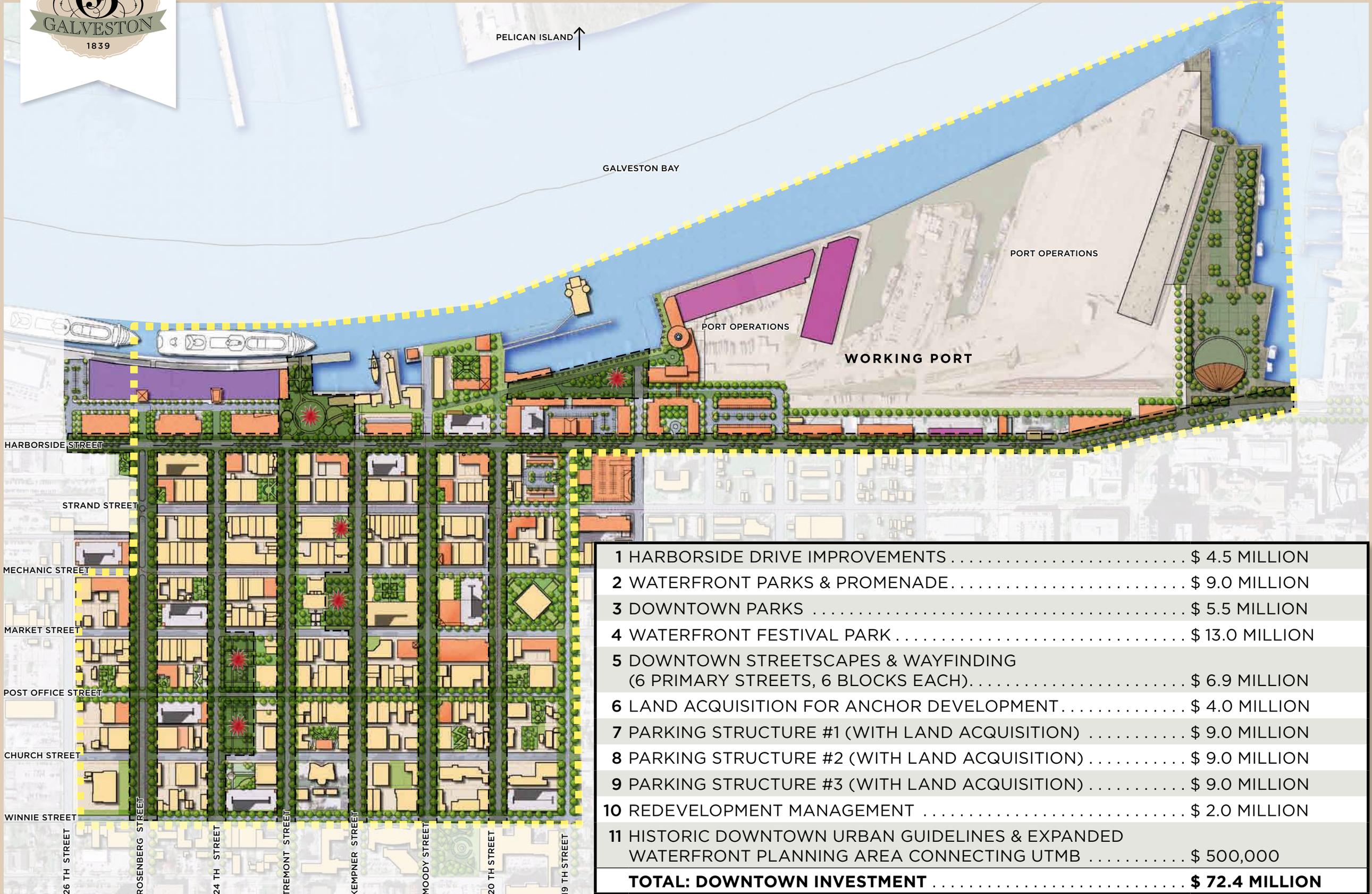


LEGEND

-  Original Redevelopment Master Plan Area
-  Recommended Expanded Redevelopment Master Plan Area
-  University of Texas Medical Branch (UTMB)



Recommended Downtown Public Investment



1 HARBORSIDE DRIVE IMPROVEMENTS	\$ 4.5 MILLION
2 WATERFRONT PARKS & PROMENADE.....	\$ 9.0 MILLION
3 DOWNTOWN PARKS	\$ 5.5 MILLION
4 WATERFRONT FESTIVAL PARK	\$ 13.0 MILLION
5 DOWNTOWN STREETS CAPES & WAYFINDING (6 PRIMARY STREETS, 6 BLOCKS EACH).....	\$ 6.9 MILLION
6 LAND ACQUISITION FOR ANCHOR DEVELOPMENT.....	\$ 4.0 MILLION
7 PARKING STRUCTURE #1 (WITH LAND ACQUISITION)	\$ 9.0 MILLION
8 PARKING STRUCTURE #2 (WITH LAND ACQUISITION)	\$ 9.0 MILLION
9 PARKING STRUCTURE #3 (WITH LAND ACQUISITION)	\$ 9.0 MILLION
10 REDEVELOPMENT MANAGEMENT	\$ 2.0 MILLION
11 HISTORIC DOWNTOWN URBAN GUIDELINES & EXPANDED WATERFRONT PLANNING AREA CONNECTING UTMB	\$ 500,000
TOTAL: DOWNTOWN INVESTMENT	\$ 72.4 MILLION



Thank You