Public Private Partnership

Case Study

JONES LANG LASALLE®

Project Program

Description	SF
1,006 Guestrooms	711,030
18, 2 Story Luxury Units	36,177
Lobby, Public and Operations Areas	29,831
9 Restaurant and Bar Outlets	81,360
2 Ballrooms, 27 Meeting Rooms	399,258
9 Retail Storefronts	34,340
Spa, Pool, Fitness Center, Teens Club, Kids Center	34,344
Back of House	132,298
Total Area	**1,458,638**
Parking Structure	1,711 Spaces

Capital Program

- Construction Costs
  - Hard Construction including FF&E/OS&E, A&E
    $530,000,000
  - Soft Costs including development fees, financing fees
    $95,000,000
  - Total Costs
    $625,000,000

Structure / Sources & Uses

1. Land Lease from the City
2. Air Rights Lease from the City
3. Convention Center Lease & Management Agreement

   – Option 1
     - Municipal Bond $150,000,000
     - Bank/Private Debt $350,000,000
     - Equity $125,000,000

   – Option 2
     - Corporate Bond $500,000,000
     - Equity/Bank Debt $125,000,000

Municipal Revenue Sources

- Parking Fees and Taxes
- Hotel Occupancy Tax
- Sales & Use Tax
- Property Tax
- Liquor Sales Tax
- New tax base and increment

Municipal Legislative Revenue Options

- Option 1
  - 30 Year Municipal Bonds: backed by the full faith and credit of the City to pay the Bond Obligation, all excess revenues go to pay down bonds early
- Option 2
  - 30 Year Corporate Bond/Private Placement: Added to NOI and pledged to pay corporate debt obligations, all excess revenues flow to the developer/ownership group

Costs and Revenues

- Option 1
  - Issuance Cost s
    - $100,000,000
    - Net Return to Developer after Bonds are re-paid $0
- Option 2
  - Issuance Costs
    - $150,000,000
    - Net return to developer after Bonds are re-paid with a 10 year extension of rebates +$380,000,000

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