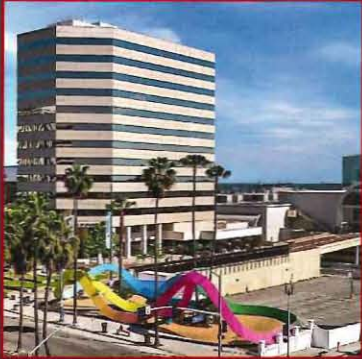
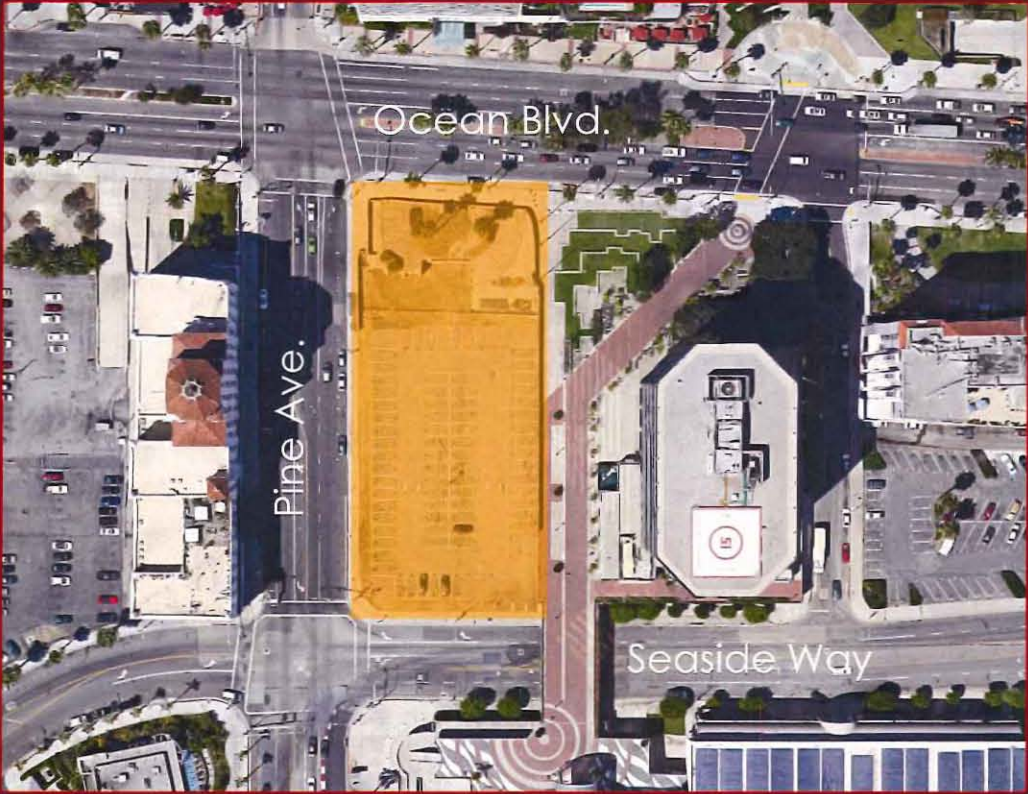




Development Opportunity for  
100 E. Ocean Boulevard

# PROJECT SITE



# REQUEST FOR PROPOSALS

3

- ▶ Release Date: July 2, 2015
  - 6,604 potential proposers notified
  - 126 parties downloaded the RFP
- ▶ Closing Date: November 10, 2015
  - 3 proposals were received
  - Review panel analyzed proposals

# AMERICAN LIFE, INC. PROPOSAL

4

## ▶ Hotel Business Center

- 20-25 stories
- Up to 427 rooms
- 19,000 square foot pre-function space and meeting rooms
- 8,000 square foot restaurant space
- 28,000 square foot guest amenities, including pool and sun deck
- Public access to Jergins Tunnel

## ▶ Jobs

- Up to 1,701 temporary jobs
- Up to 351 permanent jobs

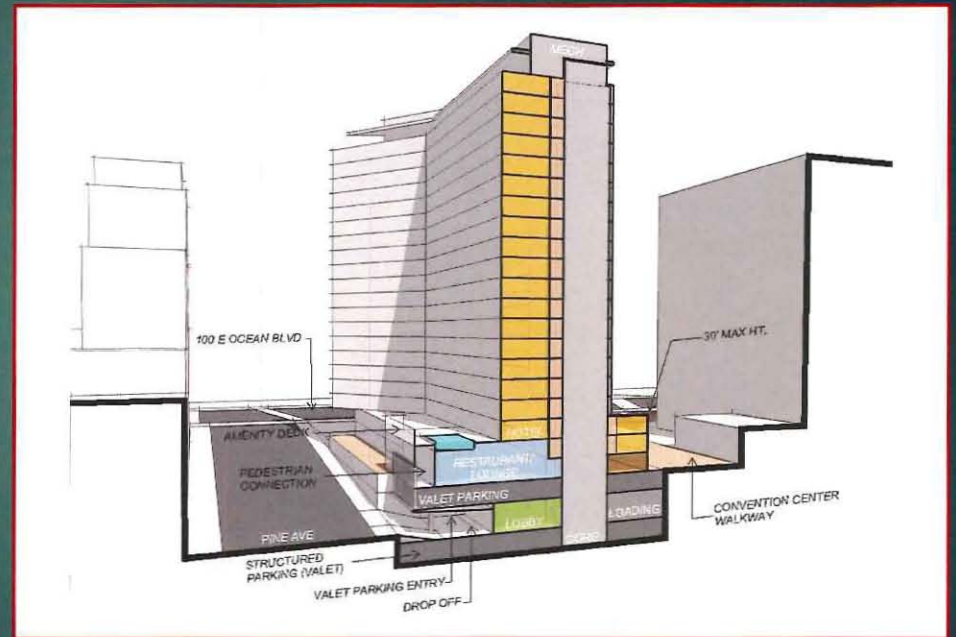
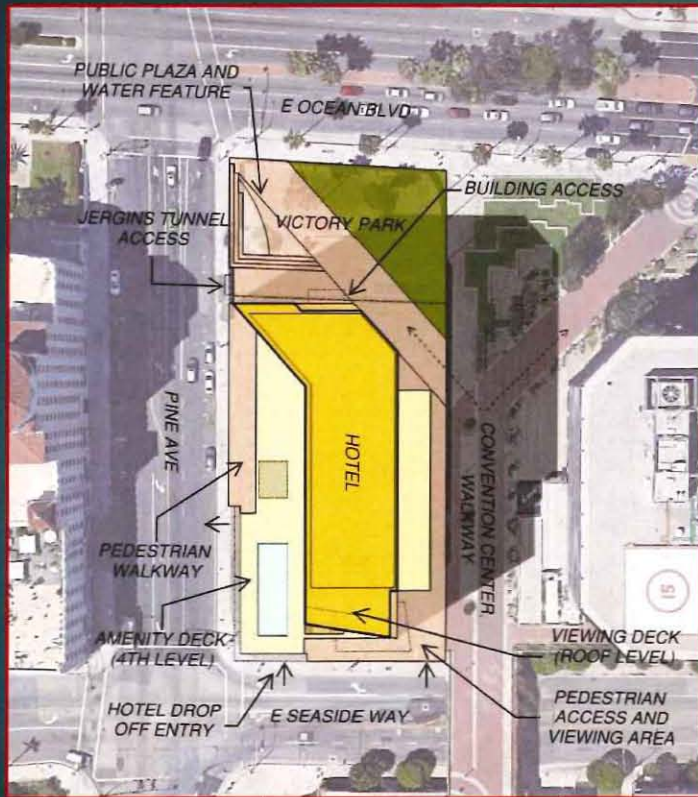
# CONCEPTUAL PROJECT DESIGN

5



# CONCEPTUAL PROJECT DESIGN

6



# TAX SHARING AGREEMENT

7

- ▶ Economic gap of up to \$47 million
  - Based on present value of hotel and income stream compared to development costs
- ▶ TOT generation estimated at over \$54 million in 20 years
  - \$2.7 million in 1<sup>st</sup> stabilized year (Year 5)
  - \$4.6 million in Year 20
- ▶ Proposed TOT Sharing Agreement up to \$27 million for up to 20 years
  - City and Developer share TOT up to 50%
  - Intent is to help reduce the economic gap
- ▶ Share revenues that would otherwise not exist if the property remains vacant, as it has since the 1980s

# PURCHASE & SALE AGREEMENT

8

- ▶ 90-day Due Diligence with 90-day option to extend
  - City to approve 3-star hotel or cancel escrow
  - City has no approval rights if 4-star hotel
- ▶ 12-month entitlement period
  - Environmental Impact Report likely required
- ▶ Developer to enter a Project Labor Agreement
- ▶ Developer to enter a Card Check Agreement
- ▶ Developer to pay Prevailing Wage
- ▶ Closing 30 days after entitlement



## PROJECT BENEFITS

- ▶ Revitalize a blighting influence on Downtown
- ▶ Generate \$7 million in one time sale price
- ▶ Generate property taxes
- ▶ Generate sales taxes
- ▶ Generate transient occupancy taxes
- ▶ Generate sales and use taxes during construction
- ▶ Create additional hotel capacity to secure more and larger conventions
- ▶ Contribute to the economic stability of Downtown businesses
- ▶ Generate up to 1,700 temporary and 350 permanent jobs



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