STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO.12-4365, FOR THE PURPOSE OF SELECTING THE MORTENSON DEVELOPMENT TEAM FOR THE DEVELOMPENT OF THE OREGON CONVENTION CENTER HOTEL AND DIRECTING STAFF TO COMMENCE PROJECT NEGOTIATIONS WITH DEVELOPMENT TEAM

Date: Sept. 13, 2012
Prepared by: Cheryl Twete

BACKGROUND

This section has been organized into 3 categories.

Legislative History

On January 17, 2012, the Metro Council and Metropolitan Exposition Recreation Commission (MERC) received a joint presentation on the 2011-12 Fiscal and Economic Impact Analysis for the Oregon Convention Center (OCC) in which the lack of an adjacent convention center hotel was cited as one of the primary reasons the OCC continues to lose national convention market share to its competitors. Included in the report was an analysis of attendee spending for guests attending international and national conventions. Compared to guests attending state and regional events who spend an average of $30 per day, national convention attendees spend an average of $330 per day in local businesses. As stewards of the facility on behalf of the region's taxpayers, the two bodies agreed that measures to maximize national convention business at the OCC should be identified and implemented by staff.

On January 26, 2012, Council approved Resolution 12–4327, which directed staff to proceed with an Oregon Convention Center Enhanced Marketing Initiative work program, including Phase I Assessment of pursuing a privately owned, financed, constructed and operated hotel adjacent to the convention center to serve national convention clients, and report back to the Council by April 30, 2012. The Metropolitan Exposition Recreation Commission (MERC) requested that Council initiate the project in October 2011 and has actively participated in the process during the subsequent months.

On April 26, 2012, Council was briefed by staff on Phase I Assessment conclusions and received a signed Statement of Principles (Exhibit A) executed by Multnomah County Chair Jeff Cogen, Portland Mayor Sam Adams, Portland Development Commission (PDC) Executive Director Patrick Quinton and Metro President Tom Hughes,

The major outcomes of Phase I Assessment included:

- Documented hotel room block deficiency surrounding the OCC
- Defined desired convention center hotel program
- Convened jurisdictional partners to work together to enhance the regional economic impact of the OCC by increasing the number of national conventions at OCC

- Executed a Statement of Principles – a joint declaration of the public goals for the OCC Hotel project

The Statement of Principles reflected a common understanding of 1) the OCC's fundamental competitive disadvantage with other comparable-sized facilities and 2) the regional and statewide economic benefits of OCC. It expressed the shared goal of increasing the size and frequency of national convention business at the OCC, which in turn grows the hospitality market so that hotels and businesses benefit long-term from additional convention-related expenditures, resulting in job creation, economic impacts and fiscal impacts to our region.

The Statement of Principles supported the issuance of a Request for Proposals for the development of a privately owned, financed, constructed and operated hotel adjacent to the convention center to serve national convention clients The Statement of Principles also recognized that public investment would likely be necessary to achieve a convention-quality hotel of the type and scale necessary to "move the needle" in terms of driving additional national convention business to the OCC.

Based on the satisfactory completion of Phase I Assessment, Council approved Resolution 12-4346 and authorized implementation of Phase II, directing staff to issue a Request for Proposals (RFP) for the development of an Oregon Convention Center (OCC) Hotel consistent with the goals and public resources identified in the Statement of Principles. Also, on April 30, 2012, the Portland Development Commission approved Resolution #6942 endorsing Metro's RFP process and authorizing the Executive Director to enter into negotiations with the selected developer, should a feasible development team be selected through the RFP process.

The purpose of this report is to describe the RFP process and the Evaluation Committee's recommended development team proposal and seek Council approval to select a preferred development team to begin Phase III Hotel Pre-development.

<u>Summary of Phase II Implementation – Request for Proposals Process</u>

The OCC Hotel RFP was issued on May 11, 2012, and two proposals were received on the due date of July 11, 2012.

An Evaluation Committee was established to provide public/private expert analysis of the two proposals and develop a recommendation for staff to forward to Council and PDC. Representatives from the three jurisdictional partners (Metro, City of Portland and Multnomah County) PDC, and the tourism, hospitality, Lloyd District and development communities were included. Two consultants were retained to provide construction cost analysis and financial evaluation to the Committee. Over the course of four meetings, the Evaluation Committee assessed the two development proposals, the details of which are below.

Mortenson – The full development team consists of Mortenson Development, Mortenson Construction, Hyatt Hotels Corporation, ESG Architects, Ankrom Moisan Architects, Piper Jaffray & Co., Jones Lang LaSalle Hotels and Star Terra LLC/Schlesinger Companies. This team has extensive hotel development and financing experience. Hyatt currently does not have a strong presence in the Portland market and a Hyatt Regency hotel could serve national convention clients at the OCC as well as introduce new corporate Hyatt-based group business in Portland.

The Mortenson team proposed four development options, two options for the StarTerra, LLC property (directly north of the OCC) and two options for the PDC-owned site (directly east of the OCC). For each site, Mortenson proposed two different development programs achieving approximately 600rooms. The development program options include: 1) a 600-room Hyatt Regency or 2) a combination 420+/-room Hyatt Regency and 181-room Hyatt Place.

Mortenson proposed the following financing structure: Mortenson Development will provide construction financing and equity, coupled with public investment (PDC and Metro funding and transient lodging tax re-investment). Hyatt Hotel Corporation provided a Letter of Intent to acquire the hotel for cash on a turn-key basis at completion of construction. This financing proposal was considered by the Evaluation Committee and project consultants to be significant because of Hyatt's interest in buying the hotel from Mortenson with no financial contingencies.

The total project costs for the four options proposed by Mortenson range from $157 to $200 million. Public investment was requested for each of the options, including direct investment by Metro and PDC totaling amounts ranging from $10.3 million to $36.1 million, as well as reinvestment of 11.5% of the 12.5% transient lodging taxes generated by the hotel over a 30-year period.

Mortenson agreed to meet the public goals and requirements specified in the RFP, such as sustainability requirements, M/W/ESB and Metro's FOTA policies, union construction and operation, and participation in the Rose Quarter/Lloyd District energy system. The team expressed their commitment to meet the project schedule of a late 2015 hotel opening. And finally, the team expressed their commitment to a 500-room, room block agreement that was mutually acceptable.

Langley - The full development team consisted of Langley Investment Properties, Garfield Traub Development, LLC, Starwood Hotels/Sheraton, ZGF Architects, RTKL Architects and Turner Construction Company. This team has extensive hotel development and financing experience. Sheraton currently does not have a strong presence in the Portland market and, as a large international convention hotel; it could serve national convention clients at the OCC as well as introduce new corporate Sheraton-based group business in Portland.

The Langley team proposed two options: a specific proposal for development of a 587-room hotel on the NE corner of the OCC property (referred to as the MLK plaza site), as well as indicating an interest to re-explore development of the hotel on the adjacent PDC-owned property to determine if there were merits to that alternative site. The hotel proposal for the OCC site called for the hotel to be physically integrated into the OCC, sharing OCC parking and meeting room space.

The following financial structure was proposed by the Langley team: a privately-financed hotel with collaborative public investment. The team proposed to explore traditional private debt and equity sources, as well as potential public tools such as EB-5, New Market Tax Credits, PDC/Metro loans, transient lodging tax rebate and a land lease for the OCC MLK plaza site. Because the project was so early in the pre-development process, they did not include letters of interest from prospective lenders or investors in their proposal.

The total project costs for the OCC MLK plaza site were estimated to be $175 million. A PDC/Metro loan of $8 million was requested with a 4% interest rate and a 60-year land lease with

$200,000 annual payments was proposed. Site specific transit lodging tax reinvestment calculated at 10.225% of the 12.5% TLT rate was requested for 15 years.

Langley expressed their agreement to meet the public goals and requirements specified in the RFP, such as sustainability, M/W/ESB, Metro's FOTA Policy, union construction and operation and participation in the Rose Quarter/Lloyd District Energy District. The team expressed their commitment to meet the project schedule of a late 2015 hotel opening. And finally, the team expressed their commitment to a 500-room room block agreement that was mutually acceptable.

Evaluation Committee Process - A rigorous evaluation process included review and analysis by Metro and PDC staff in conjunction with thorough evaluation and due diligence conducted by the Evaluation Committee.

The Evaluation Committee included the following members:

- Mark Campbell, Chief Financial Officer, Multnomah County
- Teri Dresler, General Manager for Visitor Venues, Metro
- Ed Dundon, President and Designated Broker, The Dundon Company
- Roy Jay, President and Chief Executive, Roy Jay Enterprises
- Brian McCartin, Executive Vice President, Convention and Tourism Sales, Travel Portland
- Bill Mosher, Senior Managing Director, Trammell Crow Company
- Peter Parisot, Economic Development Director, City of Portland
- Wanda Rosenbarger, General Manager, Glimcher Realty Trust
- Steven Shain, Central City Manager, Portland Development Commission
- Bashar Wali, President, Provenance Hotels

The Evaluation Committee evaluated each proposal according to the evaluation criteria identified in the RFP and conducted an extensive interview with each team, followed by additional written questions/answers.

The RFP evaluation criteria were:

1. Proven ability of development team

- Success in all disciplines to deliver a high caliber hotel project
- Demonstrated ability to secure all project financing (debt and equity)
- Capacity to achieve the project development and construction schedule
- Historic ability to complete projects of similar scale
- Success in working in public/private partnerships

2. Scope and quality of development proposal

- Quality of design, building materials and urban design approach
- Hotel program, public spaces and amenities
- Physical and functional relationship to the Oregon Convention Center
- Distinctiveness and overall quality of project

3. Financial and business terms proposed

- Feasibility of financing structure - private financing and equity contribution
- Public financial investment - requested terms/amount minimizes public resources
- Degree to which the proposal increases OCC's competitive advantage
- Characteristics of the proposed room block commitment
- Attractiveness of the terms and conditions of business offer to Metro

4. Responsiveness to public goals and requirements

- Green Building Policy – LEED Silver or higher
- Business and Workforce Equity Policy
- First Opportunity Target Area Policy
- Social equity goals; diversity in respondent's employment and contracting
- Respondent's sustainable business practices
- Integration with and willingness to participate in Rose Quarter/Lloyd District energy system

The Evaluation Committee held a series of four meetings, including two work sessions and two interview sessions. After reviewing both proposals and interviewing both teams the committee felt it had significant concerns regarding both. These concerns were the basis for a further set of written questions that the teams responded to in a timely fashion.

The Mortenson team was asked to address three critical areas: Hyatt's willingness to enter into a labor peace agreement regarding employees of the proposed hotel; the willingness of Hyatt to enter into a room block agreement acceptable to the OCC's national sales and marketing contractor, Travel Portland; and the team's flexibility on finding ways to close the funding gap between the available public subsidy and the requests contained in the written proposal. In the Committee's judgment, the Mortenson team gave positive responses to each of these concerns and the Committee is confident that these issues can be resolved either before the negotiations begin, in the case of the labor peace agreement, or during the actual negotiations.

The Langley team was asked to be more specific about alternatives to the use of OCC meeting rooms and parking lot as part of their proposal as well as addressing the question of how would necessary pre-development costs be paid prior to completion of enough definitive work to identify actual construction costs and parking program in order to determine whether financing was feasible or available at all. In addition, the financing proposal was considered to be too complicated and speculative to be completed in the schedule presented.

While the team responded with improvements to the original proposal, the Committee concluded that the construction costs and parking package had considerable risk to be more expensive than proposed, and the financing proposal was likely to be much more costly than first presented, thus creating considerable risk on the project schedule as well as the needed public subsidy.

For these reasons, on August 23, the Committee recommended the Mortenson team as the preferred development team, with the expectation that the completion of the labor peace agreement would precede any formal negotiations after the official designation of the team

Staff was actively engaged in the evaluation process, have reviewed the proposals and all additional information submitted by the development teams, and believe that the Mortenson team is capable of delivering a quality convention center hotel to serve the needs of the OCC and drive additional group meeting business to this community.

Staff, as well as the Evaluation Committee, is not recommending that a specific development option and financing structure be selected at this time. Additional predevelopment planning is necessary to determine which option best meets the public and private goals.

Phase III Pre-development

Phase III is defined as the pre-development, construction and opening of a new hotel in approximately fall 2015. Upon passage of Resolution 12-4365, staff will proceed with pre-development negotiations only and return to Council prior to December 31, 2012 with a status report and recommended next steps for consideration. Metro will continue to serve as the lead partner during this Phase III stage, working closely with the City, County and PDC.

The project schedule includes the following next steps and decision points:

Hyatt/union negotiate labor peace agreement	Sept.-Dec 2012
Metro staff negotiates initial term sheet	Sept.-Dec. 2012
Metro Council, City Council/PDC, County Commission approve term sheet	December 2012
Staff negotiates development/financing agreement	Winter 2013
Metro Council/PDC approve development/financing agreement	Spring 2013
Construction begins	Fall 2013
Construction completed	Fall 2015

KNOWN OPPOSITION (TO BE UPDATED)

At this early stage of the potential project, there is little known opposition to this approach. However, given previous opposition to the publicly-owned headquarters hotel project in 2007-09, there could be concerns from lodging-industry stakeholders and from some members of the public who may question whether public investment in private development projects is appropriate. During Phases II and III, Metro, as the lead partner will ensure that issues raised by stakeholders are cataloged and addressed. Creating an open and transparent public communication and outreach strategy will be essential to the success of the project.

LEGAL ANTECEDENTS

Marketing of the OCC is a necessary part of the Metro's charter authority to operate public cultural, trade, conventional and exhibition facilities, Metro Charter Section 6.

BUDGET IMPACTS

The budget impacts of this resolution are staff and Councilor time and professional services in the form of potential updated market and financial studies, pre-development consultants, legal services and communication strategy services, paid for by FY 2012-13 designated funds. Any potential Metro public investment in the hotel project would be budgeted in future years. Budgeted FY 2012-13 funds are expected to be adequate for the project pre-development phase.

This resolution seeks authority to approve a selected development team, but does not seek authorization of any specific project agreements, nor does it obligate Metro to commit any hard costs to the project.

ANTICIPATED EFFECTS

Adopting Resolution No. 12-4365 would authorize Metro to proceed with the Phase III effort for the Oregon Convention Center, in partnership with Multnomah County, City of Portland, Portland Development Commission and MERC. The resolution would authorize Metro staff to negotiate with the development team to prepare an initial term sheet for presentation to Metro Council and the other three partner jurisdictions in December 2012, followed by completion of the design, financing and permitting process by fall 2013. Prior to construction start, Metro and PDC would enter into respective development and financing agreements with the selected development team. Staff would provide progress reports to Metro and MERC throughout this phase. Key project decisions by Council include, but are not limited to (after selection of the preferred development team): approval of preferred development concept, necessary development and financing agreements and potential budget amendments.

RECOMMENDED ACTION

Councilor Rex Burkholder recommends adoption of this resolution.

Exhibit A
Statement of Principles

OREGON CONVENTION CENTER HOTEL PROJECT
STATEMENT OF PRINCIPLES

Project background

The Oregon Convention Center was a significant public investment in the region and state's economic future. Today, we know that OCC has produced billions of dollars in regional economic impact, generating millions in state and local tax revenues and creating and supporting thousands of jobs. Yet the absence of a privately owned and operated convention center hotel has prevented OCC from reaching its full economic potential to attract more, lucrative national conventions to Portland.

Since OCC opened in 1990 and was expanded in 2003, meeting planners have consistently rated the facility as one of the best convention centers in the country. OCC is widely recognized as a national leader in sustainable operations and excellent customer service. Combined with the region's amenities, which range from fine dining, ski slopes, ocean beaches and wine vineyards, Portland is considered a top destination among our competition for national conventions.

However, meeting planners also say OCC's and Portland's desirability cannot overcome the lack of an immediately adjacent block of at least 500 hotel rooms reserved specifically for larger conventions. As a result, OCC, the community and the men and women who work in the region's hospitality industry lose lucrative national convention opportunities. In 2011 alone, Portland lost 30 conventions to other similarly sized cities and convention centers.[1]

National meetings and conventions deliver the greatest return on investment for OCC and the region when compared to local trade shows and events. Studies reveal visitors attending national conventions spend an average of $330 per day, while individuals attending local events spend $31 per day.[2] Large conventions attract attendees who help fill up beds in many Portland hotels of all sizes.

The Portland Development Commission, along with its metropolitan partners, has pursued a headquarters hotel near OCC for a number of years. Economic conditions, the local hotel market and opposition to public hotel ownership thwarted previous attempts.

Since 2011, indicators suggest local and national hotel markets have rebounded from the 2008 economic recession. So have financial markets, even as interest rates remain at historic lows. Slow job growth has kept construction costs relatively low. This is an ideal time to take a fresh look at a convention center hotel that is privately owned and operated and capable of reserving a room block of at least 500 rooms, with associated amenities.

Because Metro owns and operates OCC and is responsible for achieving the facility's fullest economic potential, and as stewards of the public dollars invested to date, it should act as the lead for this fresh look, with support and involvement by the City of Portland, Multnomah County and PDC.

[1] 2011 Travel Portland Lost Business Report
[2] 2011 Fiscal & Economic Impact Analysis, Crossroads Consulting

Project goals and process

Metro, the City of Portland, PDC and Multnomah County are interested in pursuing private sector development of a hotel that will assist in marketing the OCC for national conventions to ensure that the facility's long-term financial success and regional economic impact are achieved. The hotel will be large enough to commit at a minimum, a 500 room block and shall also have amenities to support national conventions attending OCC (such as meeting rooms, ballrooms, restaurants, etc.). The hotel will be "flagged" with a quality brand with a national reputation familiar to meeting planners. Metro shall act as the lead for this project, with support and involvement by the other jurisdictions.

Additional goals include:

1. Revitalization and activation of the area surrounding the OCC. The hotel will provide active ground floor uses, urban design features that create an interesting and people-oriented place, entrances that relate to the existing OCC facilities, and other key neighborhood connections (such as streetcar stops, light rail stations, etc.);
2. Commitment to a level of a) Minority/Women/Emerging Small Business (M/W/ESB) goals, b) and First Opportunity Target Area (FOTA) employment goals and c) green building standards (LEED or Energy Star certification); and
3. Utilization of union building trades for construction (and potentially represented hotel employees).

The project must be across the street from the OCC and development could occur on any of four potential sites that are known to be available for development or similarly situated privately-owned parcels (See Exhibit A).

The process will include issuance of a competitive development procurement managed by Metro, with the full participation and support of the jurisdictional partners. The competitive development procurement will call for interested development teams to identify their team members and propose a hotel development program, conceptual design, and financial structure.

Metro will accept proposals that meet the project goals with minimal level of required public investment. A joint evaluation process will mutually determine which proposal, if any, should be selected. The competitive development procurement will clearly define and require proposers to commit to a room block agreement and other desirable features, as described below.

Proposals shall be of sufficient detail to determine that:

1. The development team is capable of a project of this type and scale—and has had past relevant experience with similar projects;
2. The project is financially feasible, based on the respondent's estimated project budget, financing structure, and operating pro forma ,and includes amount of public support requested;
3. The proposed hotel is of sufficient size and quality, with an appropriate associated amenity package, and commits to a minimum 500 room block agreement;
4. The proposed location is directly across the street from the OCC; and

5. The development team is able to complete the project on a reasonable schedule, with an anticipated hotel project opening by summer 2015.

We the undersigned agree to this statement of principles as of April 13, 2012 and pledge our support during the next year to proceed with a developer selection process and to determine if a privately-owned hotel is feasible.

Metro

Tom Hughes, Council President

Multnomah County

Jeff Cogen, County Chair

City of Portland, Oregon

Sam Adams, Mayor

Portland Development Commission

Patrick Quinton, Executive Director

Exhibit A

Oregon Convention Center Hotel Potential Publicly Owned Development Sites

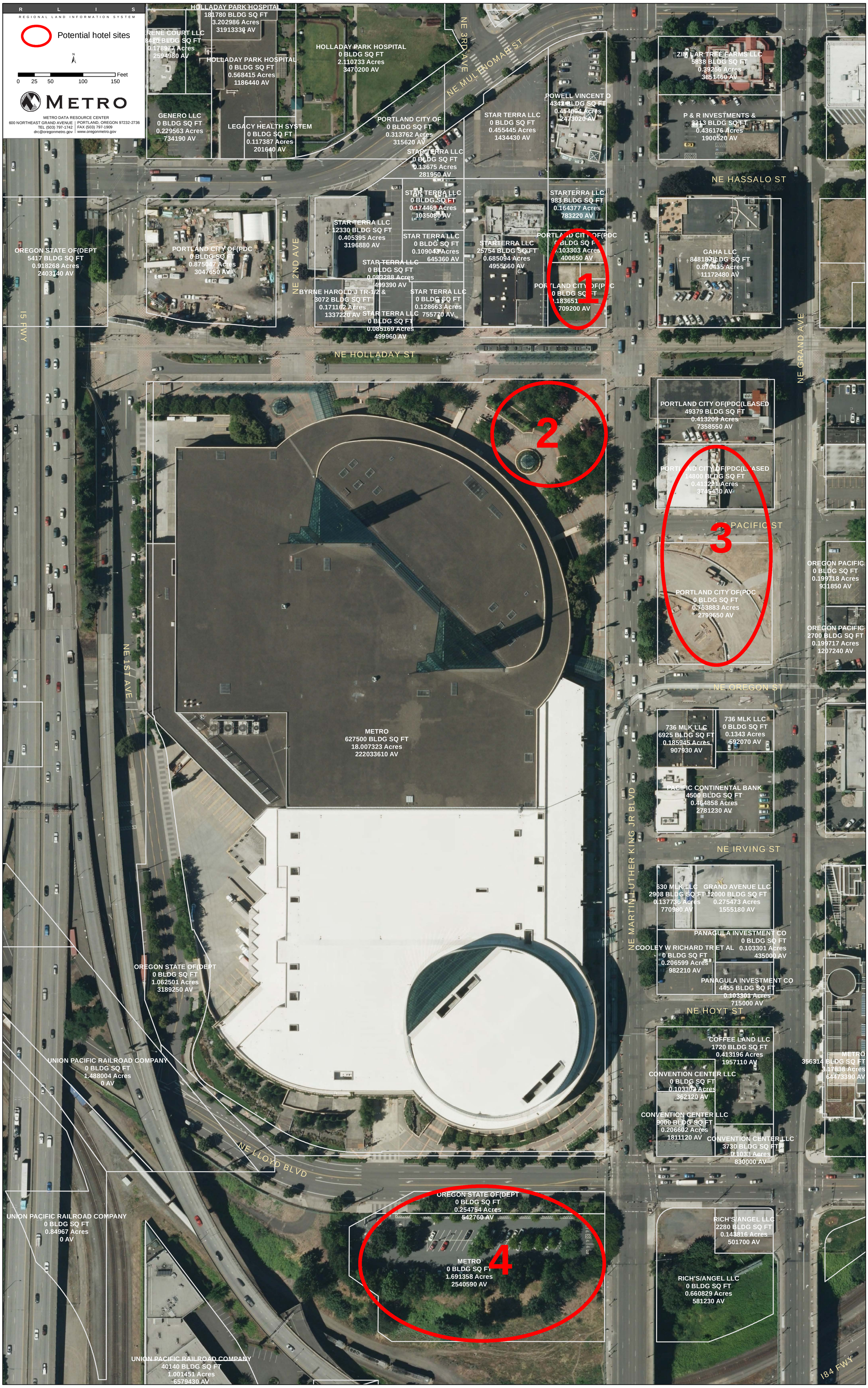

Exhibit B

Exhibit B to Resolution No. 12-4365

Summary of Development Proposals

Oregon Convention Center Hotel RFP #13-2115

Development Teams	Program and Design					Finance and Business Terms				Business Deal Terms	
	Rooms	Floors	Parking	Site	Additional Features	Owner	Cost	Finance Proposal		Hotel Opens		
Langley Investment/Garfield Traub	**Option 1**	17	Shared with OCC	OCC Plaza	Iconic, curvilinear building	TBD	$174,500,000	$104M	Conventional Debt	Fall 2015	Mandatory Elements (Sec 5.1)	
Turner Construction	587 Rooms			Site #1	Physically connected to OCC			$ 18.8M	Equity		"High Three Star" Rating	yes
ZGF Architects					Integrated with iconic OCC towers			$ 35M	EB-5		Room Block Commitment	yes
RTKL Architects					Green glass curtain-wall			$ 5M	NMTC		Adjacent to OCC	yes
Starwood/Sheraton					Materials tie to OCC exterior façade			$ 3M	Key Money		Fall 2015 opening	yes
					"Green window" in center of bldg			$ 8M	PDC/Metro Loans			
					Green roof/deck area and living walls			$174.5M	Total		Recommended Elements (Sec. 5.2)	
					Full service restaurant and bar			**Public Investment**			Four Star or higher Quality	TBD
					12,000 sf ballroom			10.225%	TLT Rebate - 15 yrs		Add'l Rooms in Block Agmt	No
					6,000 sf junior ballroom						Energy District Participation	Yes
					5,324 sf meeting rooms			$8M Loan	Interest Only Pmts; Repmt at sale/refi			
					12,000 sf of shared meeting rooms w/ OCC						Public Requirements	
								$200,000	Annual lease pmt **to** Metro		Prevailing wage	Yes
					423,820 gsf full service hotel						PDC's Equity Policy	Yes
								Terms of OCC Space - TBD			PDC's Green Building Policy	Yes
											MERC FOTA	Yes
								$297,274	Per Room			
								$411.73	Per Square Foot		Other	
											Hotel Project Labor Agreement	TBD
	Option 2 Garage and/or Hotel on PDC Blocks 26/43	TBD	TBD		TBD			TBD		Fall 2015	Same	

Exhibit B to Resolution No. 12-4365

Development Teams	Program and Design					Finance and Business Terms				Business Deal Terms
	Rooms	Floors	Parking	Site	Additional Features	Owner	Cost	Finance Proposal	Hotel Opens	
Mortenson Development Star Terra, LLC Mortenson Construction esg Architects Ankrom Moisan Architects Piper Jaffray Jones Lang LaSalle Hotels Hyatt	**Option 1** 597 Rooms (preferred)	9 and 15	Below-grade; separate ownership (430 spaces) Parking may be on Block 49	Private; Directly north of OCC	Two separate hotels; single operator 181 room Hyatt Place 416 room Hyatt Regency Phased development Ground floor retail Ground floor outdoor plaza Masonry, stone, metal glass exterior Restaurant/bar 10,000 sf ballroom 4,200 sf junior ballroom 6,224 sf meeting rooms 6,240 sf prefunction space 398,671 gsf	Hyatt	$156,857,993	**Construction Period** $133.5M Construction Loan $ 10.4M PDC/Metro Loan/Grant? $ 13 M+/- Land Equity **Permanent Financing** $146.5M Hyatt Take-out Equity $ 10.4M PDC/Metro Loan/Grant? **Public Investment** 11.50% TLT Rebate - 30 yrs $ 10.4M Loan/ Terms TBD $262,743 Per Room $372.43 Per Square Foot	Fall 2015	Mandatory Elements (Sec 5.1) "High Three Star" Rating yes/? Room Block Commitment yes for Hyatt Regency/Place project only Adjacent to OCC yes Fall 2015 opening yes Recommended Elements (Sec. 5.2) Four Star or higher Quality no Add'l Rooms in Block Agmt no Energy District Participation yes Public Requirements Prevailing wage and Project Labor Agreement yes PDC's Equity Policy yes PDC's Green Building Policy yes MERC FOTA TBD Other Hotel Project Labor Agreement TBD
	Option 2 600 rooms	21	Same	Same	Single Hyatt Regency Hotel Full service restaurant/bar, amenity pkg Similar building materials 14,000 sf ballroom 4,530 sf junior ballroom 8,407 meeting rooms 13,940 prefunction space 449,535 gsf	Hyatt	$184,486,794	**Construction Period** $145.3M Construction Loan $26.1M PDC/Metro Loan/Grant? $ 13 M+/_ Land Equity **Permanent Financing** $158.3M Hyatt Take-out Equity $26.1M PDC/Metro Loan/Grant? **Public Investment** 11.50% TLT Rebate - 30 yrs $26.1M Loans/Terms TBD $307,477 Per Room $388.48 Per Square Foot	Early 2016	
	Option 3 602 rooms	9 and 15	Below Grade	PDC Site	Hyatt Regency - 421 rooms Hyatt Place - 181 rooms	Hyatt	$175,096,827	**Private Financing/Equity** Similar to Option 1 approach **Public Investment** 11.50% TLT Rebate - 30 yrs $25.0M Loans/Terms TBD $290,859 Per Room $418.20 Per Square Foot		
	Option 4 614 rooms	20	Below Grade	PDC Site	Hyatt Regency - 614 rooms	Hyatt	$200,806,740	**Private Financing/Equity** Similar to Option 1 approach **Public Investment** 11.50% RLT Rebate - 30 yrs $36.1M Loans/Terms TBD $327,047 Per Room $429.65 Per Square Foot		