



BASE⁴

Architects & Engineers

RFP By:
EDA

1+1=3 of Gainesville, LLC

BASE4

City of Gainesville RE:
RFP No. ECOG-180036-GD

Mixed Use Development of Lot #10

November 13, 2017

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3.2 DESIGN PROGRAM/3D RENDERING



3.3 FLOORPLANS



ORIGINAL
 RFP
 SIDE
 PLAN
 SUBMITTAL

02 OF 14

Hyatt Place Gainesville, FL

BASE

HYATT PLACE GAINESVILLE, FL

3.4 ELEVATIONS

South Side Elevation

Material Legend

- 01 EIFS PAINT COLOR 1
- 02 EIFS PAINT COLOR 2
- 03 EIFS PAINT COLOR 3
- 04 BRICK VENEER

North Side Elevation



HYATT PLACE
GAINESVILLE, FL



BASE
1000 S. UNIVERSITY AVENUE, SUITE 1000
GAINESVILLE, FL 32602

08
OF 14

West Side Elevation

Material Legend

- 01 EIFS PAINT COLOR 1
- 02 EIFS PAINT COLOR 2
- 03 EIFS PAINT COLOR 3
- 04 BRICK VENEER

East Side Elevation



HYATT PLACE
GAINESVILLE, FL



BASE
1000 S. UNIVERSITY AVENUE, SUITE 1000
GAINESVILLE, FL 32602

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OF 14

3.9 ECONOMIC DEVELOPMENT IMPACT ANALYSIS

ECONOMIC DEVELOPMENT IMPACT ANALYSIS

1+1=3 of Gainesville, LLC has prepared estimates of the economic benefit associated by the construction and operation of a 136 room full service Hyatt Place hotel. The estimates of economic impact are for dollars spent, and people employed, within Alachua County. The following paragraphs summarize the methodology and assumptions used to prepare the estimates of economic impact.

Construction Impact

Methodology

The following methodology was used to prepare the estimates of economic impact generated by the construction of this 136 room Hyatt Place hotel:

1. **Construction Costs:** Detailed discussions with Florida National Hotel Brand general contractors took place with specific plan of Hyatt Place hotel layout on lot 10.
2. **B.E.A. Multipliers:** Bureau of Economic Analysis (BEA) economic impact multipliers for construction expenditures in Alachua County were applied to the estimates of construction costs.

Economic Impact Measurements

Three measures of economic impact were estimated:

1. **Output Impact:** Direct dollars spent with construction, architecture, design, and engineering firms to construct the hotel. This includes the purchases made by these firms to buy goods and services within Alachua County.
2. **Earnings Impact:** Salaries and wages paid to employees of the construction, architecture, design, and engineering firms associated with the building of the subject hotel, as well as the employees of vendors providing goods and services to these firms.
3. **Employment Impact:** Full-time equivalent jobs at the construction, architecture, design, and engineering firms associated with the building of the subject hotel, as well as the employees of vendors providing goods and services to these firms.

CONSTRUCTION ECONOMIC IMPACT ANALYSIS

Estimated Impact

The following table summarizes the estimated economic benefit (2018 dollars) to Alachua County associated with the construction of the subject hotel.

Measurement	2018
Output Impact	\$58,012,899
Earnings Impact	\$15,615,891
Employment	413 FTE jobs

Operational Impact

Methodology

The following four approaches were used to prepare the estimates of economic impact generated by the operation of the subject hotel:

1. **B.E.A. Final Demand:** This method combines the total hotel revenue estimate developed by 1+1=3 of Gainesville, LLC with economic impact multipliers from the Bureau of Economic Analysis.
2. **B.E.A. Changes in Bill of Goods:** This method combines detail revenue and expense data from our Hotel Industry database with economic impact multipliers from the Bureau of Economic Analysis.
3. **AH&LA Economic Multipliers:** Economic impact multipliers for the Gainesville MSA from a 1986 study (latest data available) sponsored by the American Hotel and Lodging Association (AH&LA) were applied the total revenue estimate for the subject property.
4. **Tax Impact:** The current five percent (5%) county lodging tax, as well as the 6.5 percent state sales tax rate, were applied respectively to 1+1=3 of Gainesville, LLC's estimates of room revenue and total revenue for the subject hotel.

OPERATIONAL ECONOMIC IMPACT ANALYSIS

Economic Impact Measurements

Four measures of economic impact were estimated:

1. **Output Impact:** Direct dollars spent with construction, architecture, design, and engineering firms to construct the hotel. This includes the purchases made by these firms to buy goods and services within Gainesville/Alachua County. Our proposed over 7,100 square feet of meeting space venue improves and fills a void in the downtown core that has been identified by City Leaders.
2. **Earnings Impact:** Salaries and wages paid to employees of the construction, architecture, design, and engineering firms associated with the building of the subject hotel, as well as the employees of vendors providing goods and services to these firms.
3. **Employment Impact:** Full-time equivalent jobs at the construction, architecture, design, and engineering firms associated with the building of the subject hotel, as well as the employees of vendors providing goods and services to these firms.
4. **Tax Impact:** Alachua County lodging taxes and State of Florida sales taxes generated from the room revenues and total hotel revenue of the subject mixed use project.

Estimated Impact

The following table summarizes the estimated economic benefit to Alachua County (2019 dollars) associated with the operation of the Project.

Economic Measure Estimated

<u>Measurement</u>	<u>2020</u>	<u>Tax Impact</u>	<u>2020</u>
Output Impact	\$27,223,399	Sales Tax (6.50% x \$5,248,272)	\$341,137
Earnings Impact	\$5,248,272	Lodging Tax (5% x \$5,248,272)	\$262,413
Employment Impact	189 FTE jobs		\$603,550

Income Expense

Financial Summary:			
		Per Room	Total Per Building SF
Land Cost	\$2,340,000	\$17,206	\$23.31
All Vertical Construction Cost	\$16,130,660	\$118,608	\$140.00
Site Work Cost	\$825,000	\$6,066	\$7.16
Construction Contingency	\$1,356,453	\$9,974	\$11.77
Retail Space Tenant Buildout	\$500,000	\$3,676	\$4.34
Development Fee	\$815,606	\$6,732	\$7.95
Marketing	\$50,000	\$368	\$0.43
Amenities / Pool	\$400,000	\$2,941	\$3.47
Landscaping	\$100,000	\$735	\$0.87
Furniture Fixtures and Equipment (FF&E)	\$2,720,000	\$20,000	\$23.51
Permitting / Consultant Costs	\$400,000	\$2,941	\$3.47
Loan Closing Costs	\$105,000	\$772	\$0.91
Loan Interest During Construction	\$393,544	\$2,894	\$3.42
Total Cost	\$26,236,262	\$192,914	\$227.71

Cash Equity in Project (25% of Project Cost)	\$6,559,066		
Borrower Equity in Deal	\$6,559,066		
Loan Amount	\$19,677,197		
Equity to Total Cost %	25.00%		
% Return NOI Before Debt Service to Overall Project Cost	6.69%		
% Return NOI After Debt Service to Cash Outlay	7.25%		
Debt Service Coverage Ratio	1.37		

4.0 | Price Proposal

4.1 BUSINESS TERMS

With 1+1=3 of Gainesville, LLC. offering approximately \$26,000,000 investment into the design and construction of this mixed-use hotel and retail redevelopment, the following conditions and assurances are requested:

Price

The City will transfer the land for \$2,340,000 to 1+1=3 of Gainesville, LLC. for the development of the mixed use facility. (See contract for sale and purchase in the appendix.)

Parking

At the City's option, either 1+1=3 of Gainesville, LLC. will enter into a license agreement with the City of Gainesville to use and maintain City Parking Lot number 2 at a cost of \$16,000 per year for a period of 30 years. Payments will be made to the City of Gainesville annually on the anniversary date of the agreement. The annual rate may increase a maximum of 2.0% annually, only if public parking rates increase at a rate equal to or greater than 2.0%. Or 1+1=3 of Gainesville, LLC. will purchase Lot number 2 at a fair market value.

1+1=3 of Gainesville, LLC. has entered into an agreement with Ken McGurn for additional parking in the City's southwest downtown parking garage.

1+1=3 of Gainesville, LLC. shall reserve the right to construct a pedestrian bridge connecting the City's southwest downtown parking garage to the proposed mixed-use hotel project, if deemed necessary.

Stormwater

1+1=3 of Gainesville, LLC is guaranteed capacity in the City's SW 5th Avenue Master Basin to accommodate 100% of the project site's stormwater quality treatment requirements at no expense to 1+1=3. 1+1=3 is also guaranteed that stormwater quantity treatment requirements will be calculated based on pre-development versus post-development site run-off conditions.

Pre-Existing Land Conditions

The City of Gainesville shall remediate any pre-existing, environmentally hazardous conditions on site, as necessary, at no expense to 1+1=3 of Gainesville, LLC. The City of Gainesville ensures 1+1=3 of Gainesville, LLC. that the development of this project will not be prohibited or significantly delayed by such pre-existing environmentally hazardous conditions.

Utilities

City will pay for bringing GRU services to the building including gas, electric, water, sewer and Gatornet (fiber-optic internet).

Bus Stop

RTS will remove the bus stop on SW 2nd Avenue that is on the south side of Lot 10, as the bus fumes may not be compatible with outdoor seating for the designed restaurant spaces.