

City of Gainesville Mixed-Use Development City Parking Lot # 10

130847D



Horizon Hospitality
Management Inc.



Introduction

Similar Project Experience

- Horizon Hospitality Management, Inc.
- Clancy and Theys Construction Company
- George F. Young, Inc.
- HKS Architects, Inc.

Site Assessment

Economic Development Impact Analysis

Q&A



The existing three (3) full-service hotels (UF Hilton, Paramount, and Best Western) in the Gainesville community do not have adequate facilities to accommodate both the conference and housing needs of groups larger than 350, as noted in the PKF and Global Spectrum studies commissioned by the City's Community Redevelopment Agency, as well as our own recent survey of the respective property management.

To address this need, Horizon Hospitality Management, Inc. (Horizon) assembled its development team to include:

1. **Recognized leaders in their respective industry that have combined experiences in the development and design of:**
 - mixed-use hotel development projects
 - full-service hotels with amenities
 - large conference/meeting centers
 - the structural aspects of the Gainesville downtown area
 - public/private hotel developments



Horizon Hospitality Management, Inc. - Developer
Nimish 'Nim' Patel – Chairman and Chief Executive Officer

Clancy and Theys Construction Company - Contractor
Jeff Mock – Vice President – Florida Division
Dean Conklin – Vice President – Virginia Division

HKS Architects, Inc. – Architect
Eric Antalek – Associate Principal & Senior Vice President - Orlando

George F. Young, Inc. – Engineer
Stuart Cullen – Vice President Engineering – Gainesville



2. Those who have local knowledge of the Gainesville community and the City of Gainesville operational and political processes.

Judah Consulting and Development Group, LLC

Rodney Long – President

Avis Butler – Vice President

Carole Long - Principal

Wilson James LLC

Ayanna Wilson James – Founder and Chief Executive Officer

3. Members with expertise in assembling financial packages and obtaining financing for hotel development including debt financing, equity financing, and tax and other credits from the public sector.

Heritage Capital Group LLC

Raymond Willis, Jr. - Founder and Chief Executive Officer



Horizon Hospitality Management, Inc.

- ❑ 42-year old family business
- ❑ Minority-owned company
- ❑ One of the nation's leading, independent hotel management companies
- ❑ 57 properties included in portfolio
 - 35 completed properties – 33 new constructions
 - 22 projects - predevelopment and acquisition
 - 25 properties (44%) in portfolio are Hilton brands





Double Tree *Panama City, Panama*

Full-service
298 rooms, 119,400 sq. ft.
\$32 million – 50% contributed equity, 50% raised equity



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WILSON JAMES



Marriott West *St. Louis, Missouri*

Full-service
684 rooms, 260,000 sq. ft.,
\$112 million - 100% raised equity



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Holiday Inn – Hamilton Place *Chattanooga, Tennessee*

Full-service

137 rooms, 76,735 sq. ft.

\$17 million – 70% debt; 30% raised equity



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PREDEVELOPMENT

Hilton Casino – Rincon, Puerto Rico

Mixed-use Development – Casino and Water Park

800 rooms, 573,000 sq. ft.

\$260 million

100% raised equity

Home 2 Suites – Jackson, MS

Mixed-use Development – Medical Plaza; Residential Condominiums

Public/private partnership

180 rooms, 112,500 sq. ft.

\$40 million

70% debt - 30% raised equity (state's tourism tax credits)

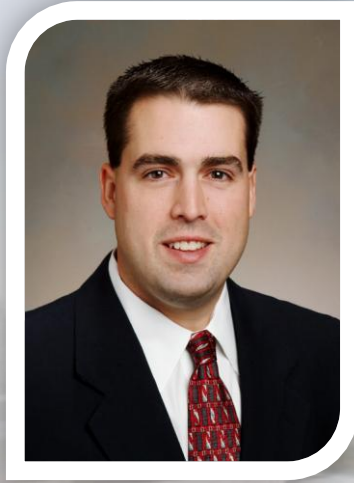


- Established in 1949 in Raleigh, NC
- 2nd Generation Family Business
- Culture of Integrity and Transparency
- Southeastern Regional Capacity



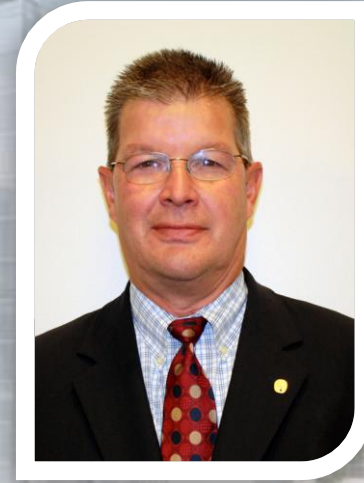
Tim and Tick Clancy

- Portfolio Features over 35 hotel projects



Jeff Mock, CGC
*Vice President
Florida Division*

• 19 years with Clancy & Theys •



Dean Conklin
*Vice President
Virginia Division*

• 22 years with Clancy & Theys •



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Hawk's Cay Resort at Duck Key

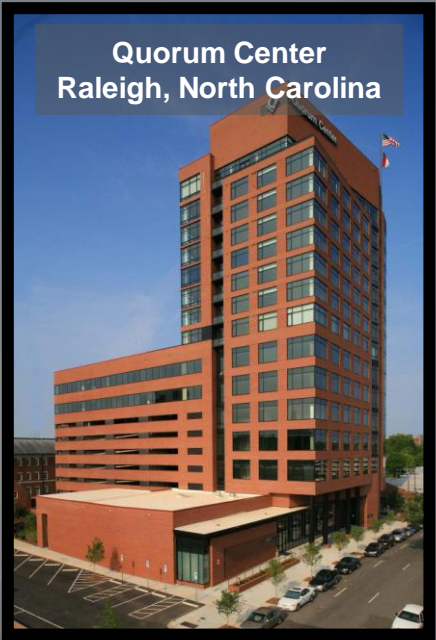




Wells Fargo Center
Norfolk, Virginia



DENR Nature Research Center
Raleigh, North Carolina



Quorum Center
Raleigh, North Carolina



NASA Operations Support Building
Kennedy Space Center, Florida

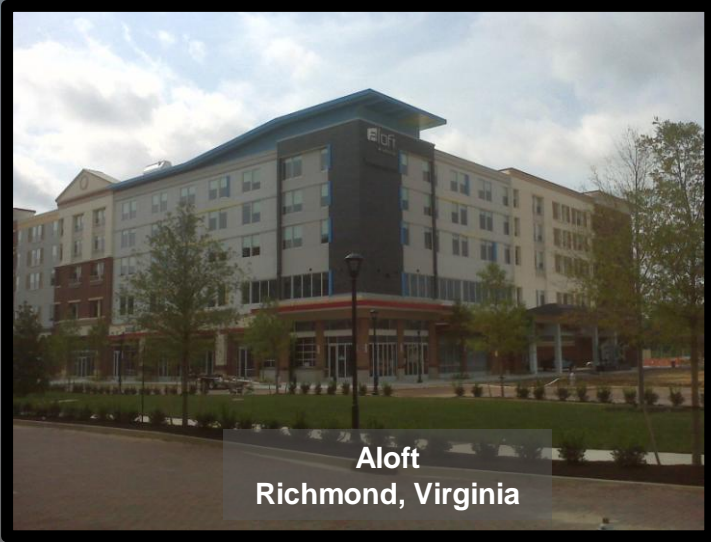


Quintiles Transnational Headquarters
Durham, North Carolina





Residence Inn
Norfolk, Virginia



Aloft
Richmond, Virginia



Spring Hill Suites
Virginia Beach, Virginia





Westin BWI
Linthicum Heights, Maryland



Williamsburg Lodge
Williamsburg, Virginia



Soliciting Participation

Outreach

Smaller Bid Packages

Special Payment Terms



MWBE/LDB Trade Fair June 6, '14



Subcontractor Conference



MWBE and LDB Track Record

OCPS New Independence ES

MWBE 36%; LDB 13%

OCPS Eagle Creek ES

MWBE 37%; LDB 13%

OCPS Keene's Crossing ES

MWBE 35.3%; LDB 3%

CERTIFICATE OF APPRECIATION

THIS CERTIFICATE IS AWARDED TO

CLANCY & THEYS

THANK YOU FOR YOUR PARTICIPATION IN
THE 9TH ANNUAL MWBE/LDB TRADE SHOW
JUNE 6, 2014 AT NOVA SOUTHEASTERN UNIVERSITY
HOSTED BY ORANGE COUNTY PUBLIC SCHOOLS/OFFICE OF BUSINESS OPPORTUNITY



Jayelynn Henderson
SIGNATURE



Horizon Hospitality
Management Inc.



☐ Local Florida Civil Engineering and Surveying Firm

- Established 1919
- Over 100 employees

☐ Gainesville Office

- Over 20 years in the City of Gainesville

☐ Services

- Site Civil Engineering
- Permitting
- Surveying and Mapping



Similar Projects

□ University of Florida Conference Center and Hotel - Gainesville, FL

- 245-room/25,000 sq. ft. Conference Center
- Engineer of Record and Project Manager
 - Stuart Cullen, PE, LEED® Green Associate
- Project Included
 - Access Management
 - Parking Design
 - Paving, Grading Drainage
 - Stormwater Management Design



□ Hampton Inn & Suites - Gainesville, FL

- 124-Room Hotel and Retail Center
- Engineer of Record and Project Manager
 - Stuart Cullen, PE, LEED® Green Associate
- Project Included
 - Access Management
 - Parking Design
 - Paving, Grading Drainage
 - Stormwater Management Design





HKS Architects, Inc.



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\$21,650,000,000

CONSTRUCTION COST OF COMPLETED HOTELS, CASINOS, RESORTS AND RELATED STRUCTURES



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67,000,000 SF
OF COMPLETED HOTELS, CASINOS, RESORTS AND RELATED STRUCTURES



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7,500,000 SF
7,500,000 SF
7,500,000 SF
7,500,000 SF
7,500,000 SF
7,500,000 SF
7,500,000 SF



OF MEETING
CONFERENCE CENTERS
MEETING SUPPORT SPACES





44,000

COMPLETED HOTEL ROOMS WORLD WIDE



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124

NUMBER OF EMPLOYEES (FTES) CURRENTLY WORKING IN HOSPITALITY



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79

NUMBER OF HOTEL
OPERATORS AND BRANDS
WHICH HKS HAS SERVED

ATLANTIS, CAPELLA HOTELS & RESORTS,
DESTINATION HOTEL & RESORTS,
DIVINITY, DOUBLE TREE HOTELS,
EMBASSY SUITES, FAIRMONT HOTELS
& RESORTS, FONTAINBLEAU HOTELS,
FOUR SEASONS HOTELS & RESORTS,
FOXWOODS RESORT CASINO, HARD ROCK
HOTELS, HARRAH'S CASINO HOTELS,
HILTON HOTELS, HYATT HOTELS
& RESORTS, HYATT PLACE, HYATT
SUMMERFIELD INNS, INTERCONTINENTAL
HOTEL & RESORTS, KIMPTON HOTELS,
LOEWS HOTELS, MANDARIN ORIENTAL
HOTEL GROUP, MARRIOTT HOTELS,
MERIDIAN, MGM GRAND, MONTAGE
RESORTS, OMNI, ONE & ONLY RESORTS,
THE RITZ-CARLTON HOTELS & RESORTS,
RITZ RESERVE, ROSEWOOD HOTELS &
RESORTS, WESTIN HOTELS, SHANGRI-LA
HOTELS & RESORTS, ST. REGIS HOTELS
& RESORTS, STARWOOD HOTELS &
RESORTS, SUNDANCE RESORT, THE
VENETIAN RESORT, HOTEL, CASINO, W
HOTELS, WALT DISNEY WORLD RESORTS,
WATERMARK HOTEL, THE WEST PACES
HOTEL GROUP, WESTIN HOTELS,
WYNDHAM HOTELS & RESORTS



64



NUMBER OF COUNTRIES THE HKS HOSPITALITY GROUP HAS ENJOYED WORKING IN



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46

NUMBER OF URBAN | CITY HOTELS
COMPLETED BY HKS HOSPITALITY



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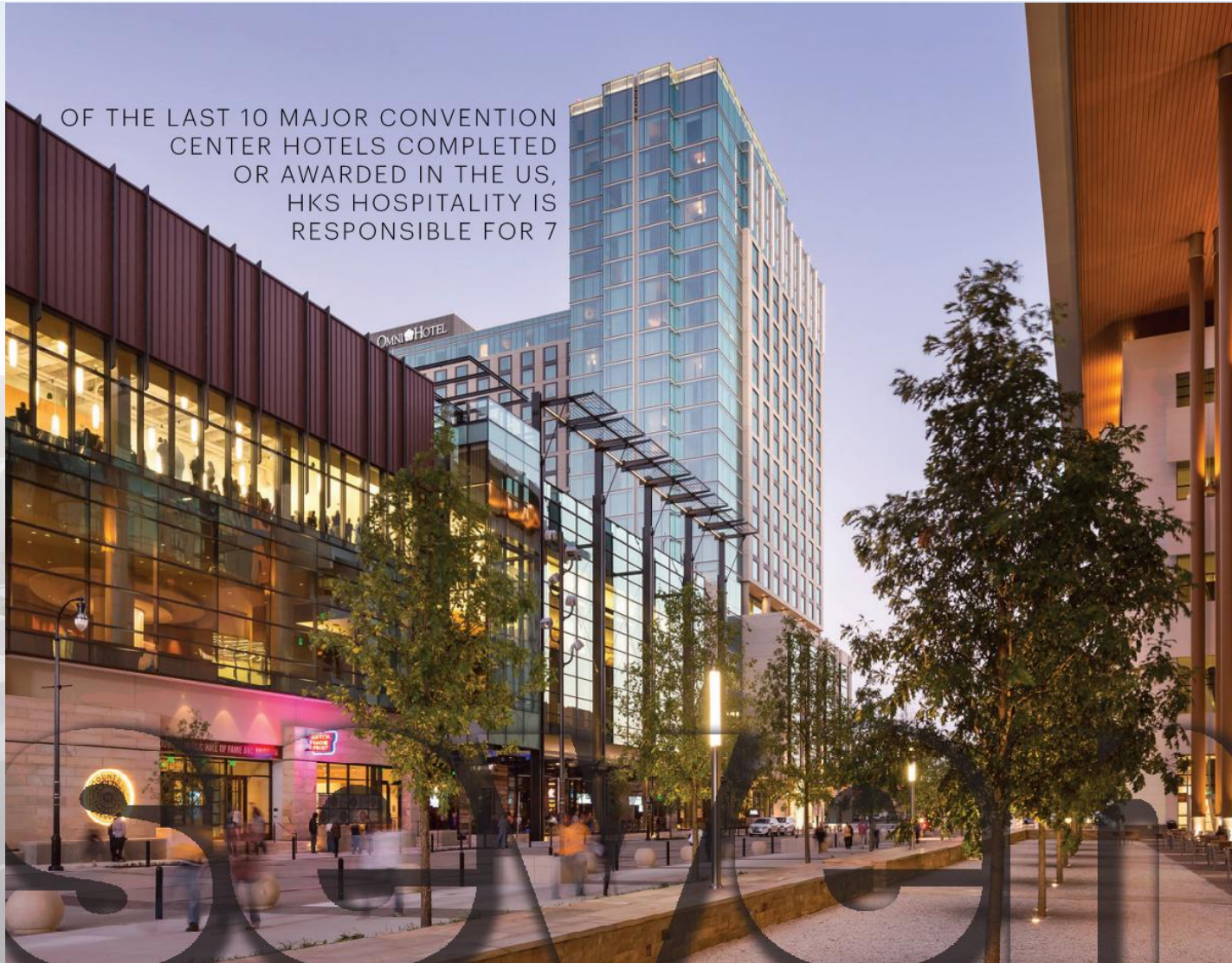


21



HOTELS AND RESORTS INCLUDED IN TRAVEL + LEISURE MAGAZINE'S ANNUAL BEST HOTELS IN WORLD READER'S AWARD SURVEY IN 2013

OF THE LAST 10 MAJOR CONVENTION
CENTER HOTELS COMPLETED
OR AWARDED IN THE US,
HKS HOSPITALITY IS
RESPONSIBLE FOR 7



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OVER THE PAST 6 CONSECUTIVE
YEARS, HKS HAS BEEN RANKED IN THE
TOP 5 HOSPITALITY FIRMS BASED ON
REVENUE BY NUMEROUS PUBLICATIONS



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NUMBER OF UNIVERSITY BASED HOTEL AND CONFERENCE CENTERS



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WILSON JAMES

THE NUMBER **1** HOSPITALITY FIRM IN THE WORLD
BY ARCHITECTURAL RECORD - 2013



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URBAN EXPERIENCE:

- Aloft Austin
- DFW Grand Hyatt
- Hall Arts Condo Tower
- Milwaukee Palomar
- Hard Rock Hotel Daytona Beach



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Aloft Austin
210 keys
126,500 SF

DFW Grand Hyatt

290 keys
190,000 SF
34,000 SF of Meeting Space



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WILSON JAMES

Milwaukee Palomar

185 keys; 76 Condos
750,000 SF



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Hard Rock Hotel Daytona Beach

250 keys; 107 Condos
300,000 SF
25,000 SF of Meeting Space



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CONFERENCE CENTER EXPERIENCE:

- Orlando Hilton Convention Center Hotel
- JW Marriott San Antonio
- OMNI Nashville
- OMNI Amelia Island

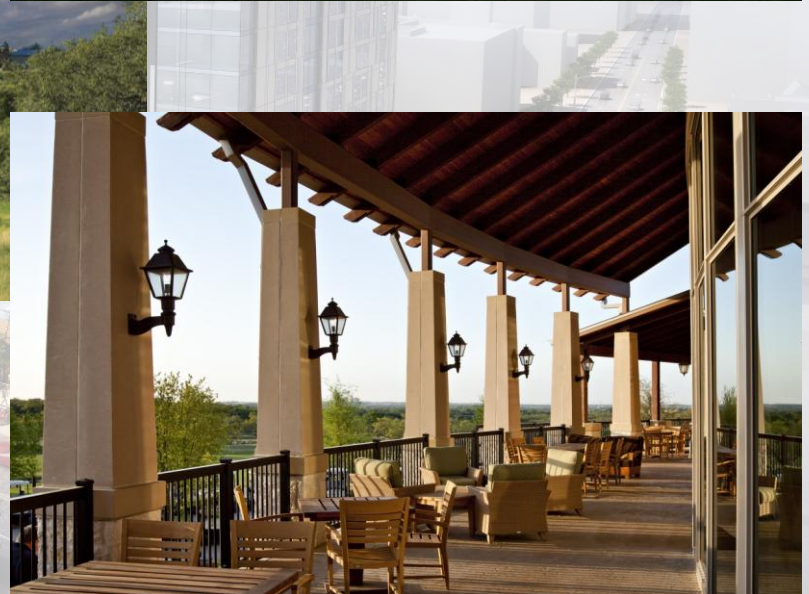
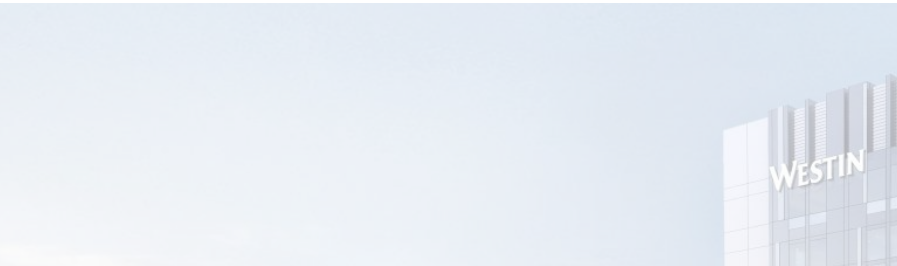


Orlando Hilton Convention Center Hotel

1,417 keys
1,200,000 SF
140,000 SF of Meeting Space



Conference Center Experience Experience 130847D



OMNI Nashville

800 keys
794,000 SF
64,000 SF of Meeting Space





OMNI Amelia Island (Addition)

166 keys (Added)
30,000 SF of Meeting Space (renovated)
40,000 SF of Meeting Space (added)



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SIMILAR EXPERIENCE - CASE STUDIES:

- **Duke University Hotel & Conference Center**
- **University of Texas at Austin Conference Center Hotel**
- **Westin Austin**

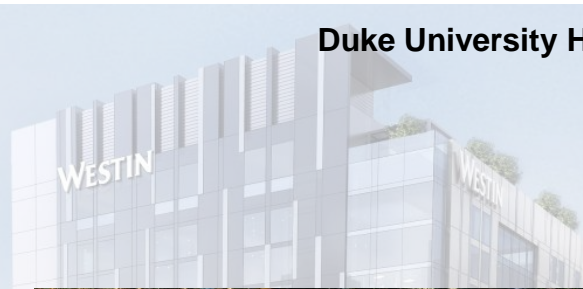


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Duke University Hotel & Conference Center
200 keys



Univ. of Texas at Austin Conference Center Hotel

297 keys

322,000 SF

100,000 SF Conference Center



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Westin Austin

300 keys

325,000 SF

17,500 SF of Meeting Space



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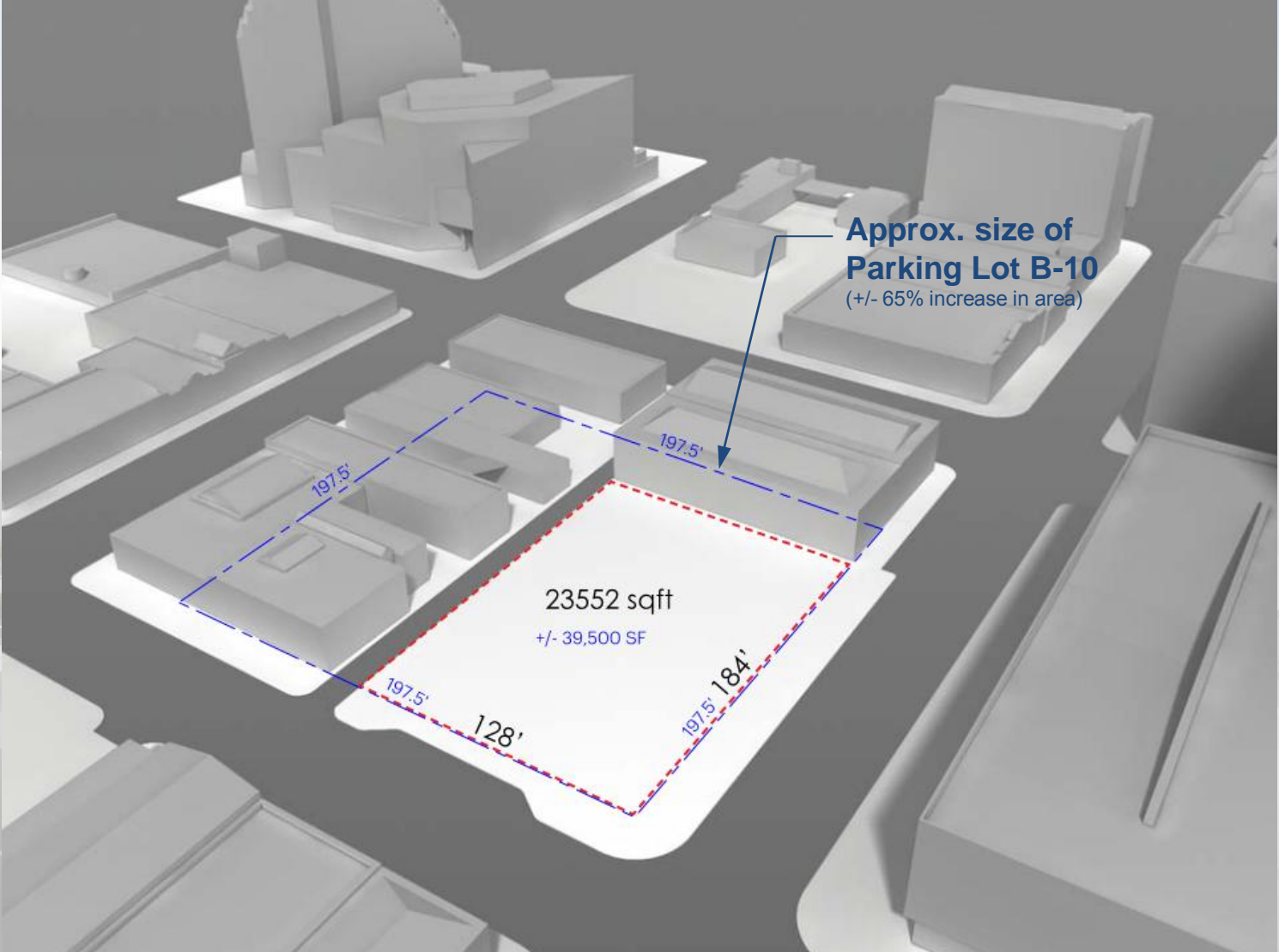
DESIGN PROCESS:

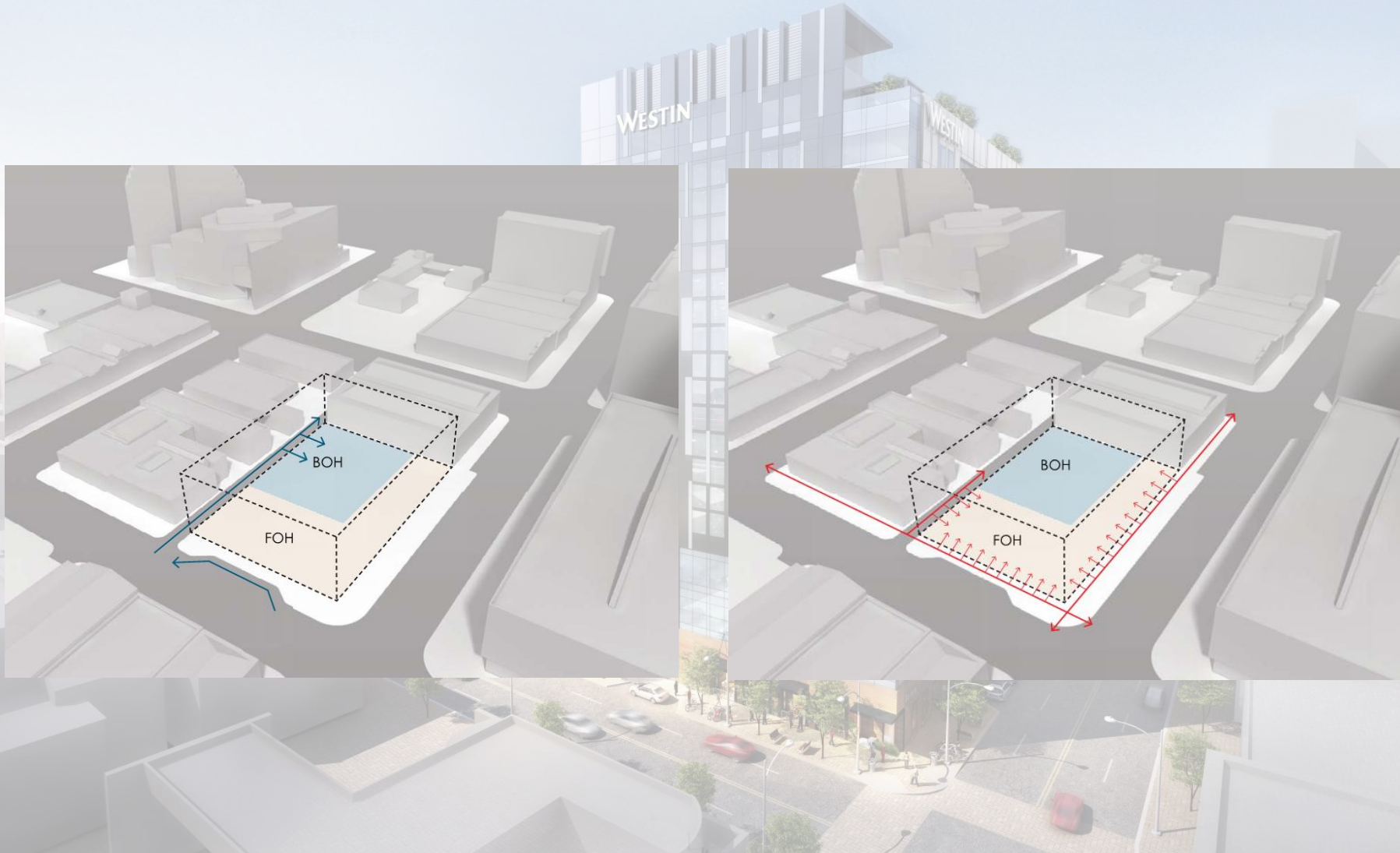
Westin Austin Test Fit

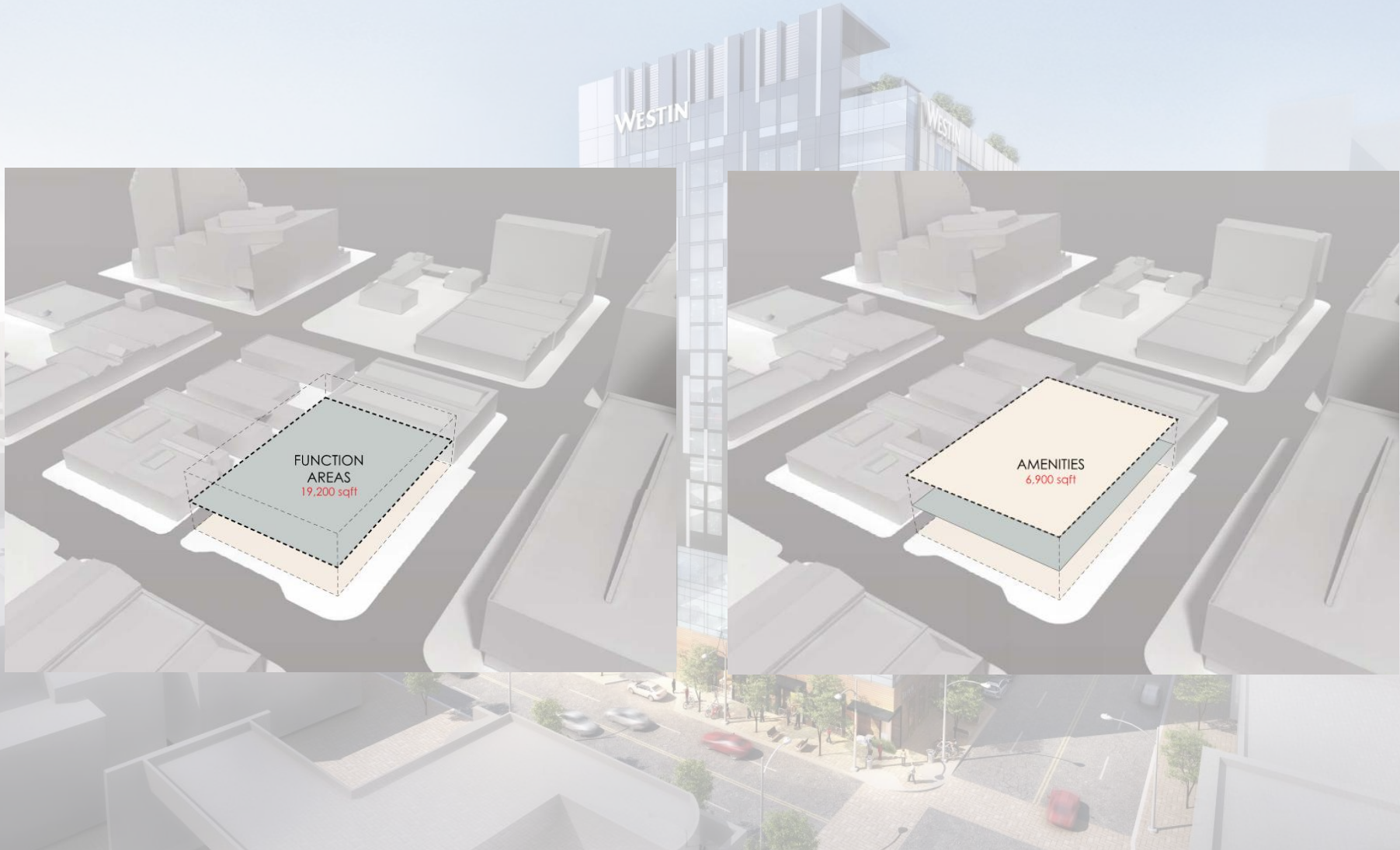
- Site Planning/Access
- Building Massing/Organization
- Building Planning

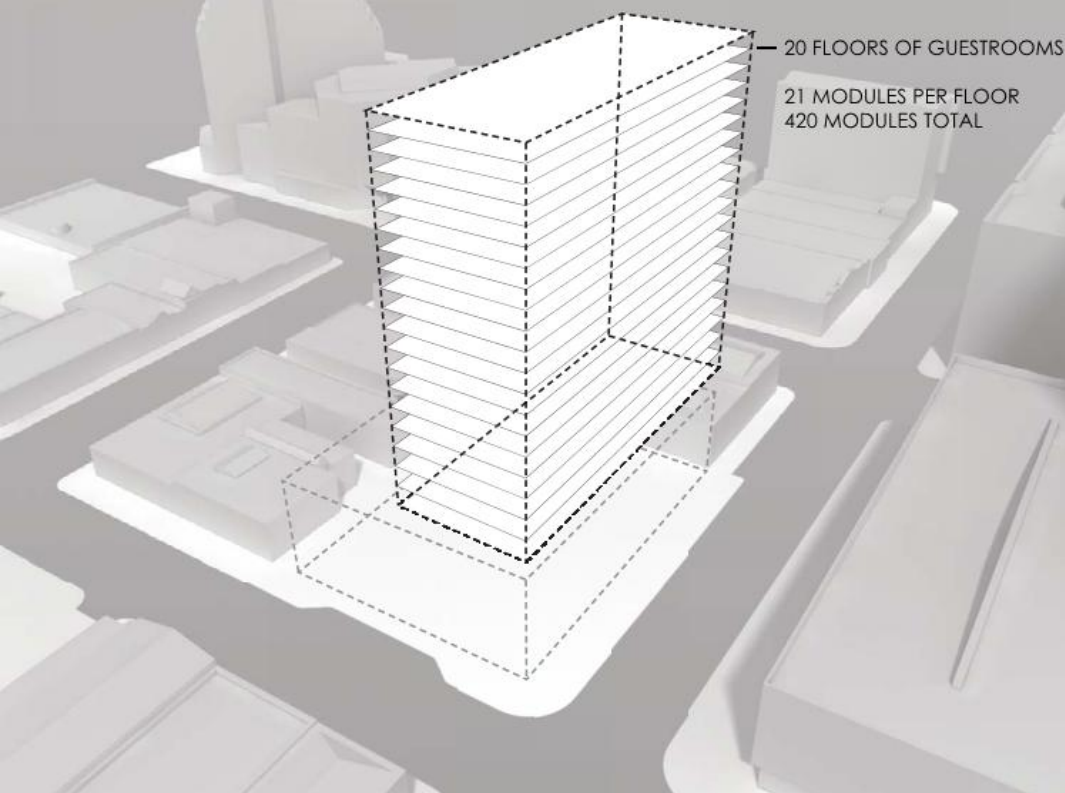
Gainesville Test-Fits





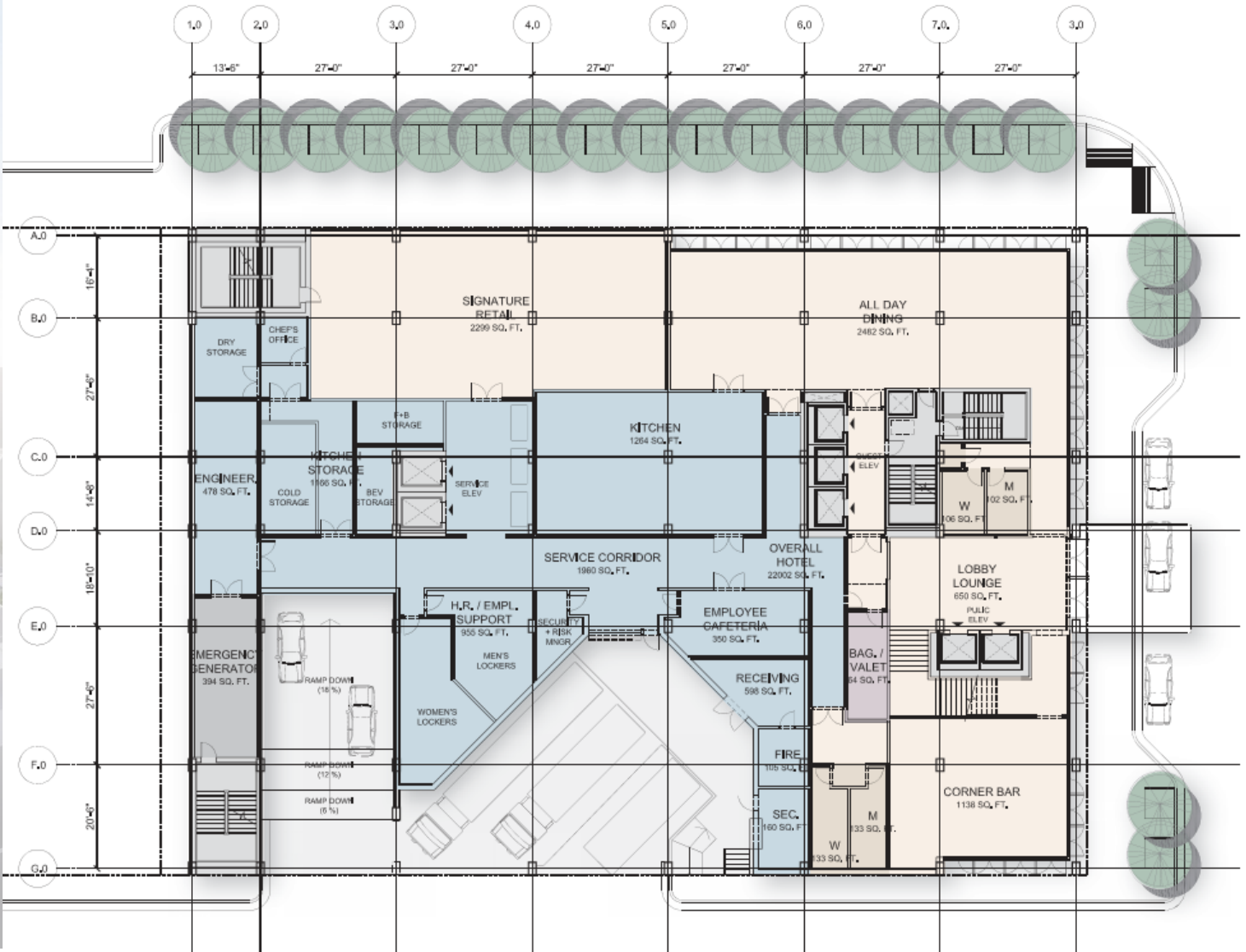




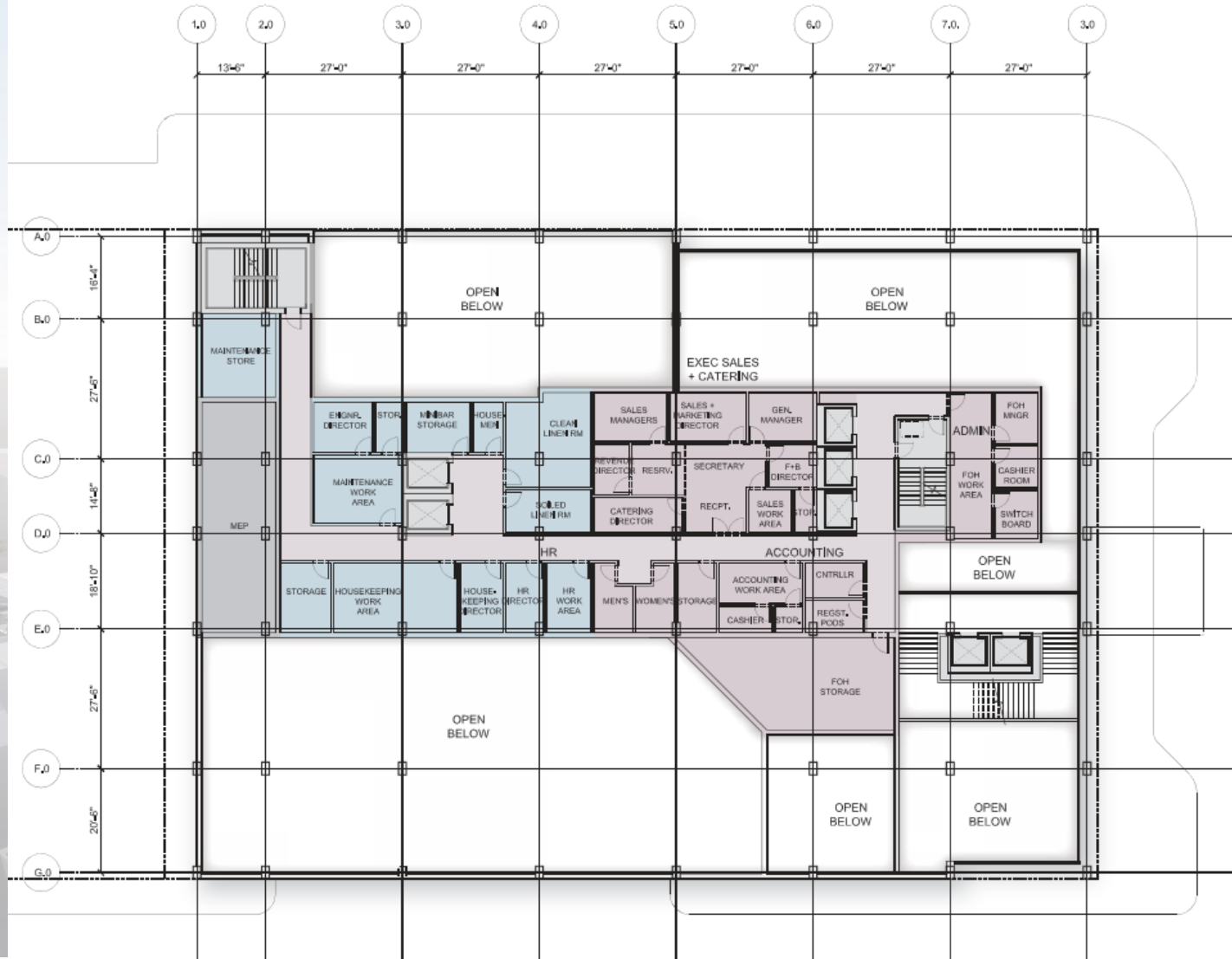


Design Process: Case Study – Austin Hotel

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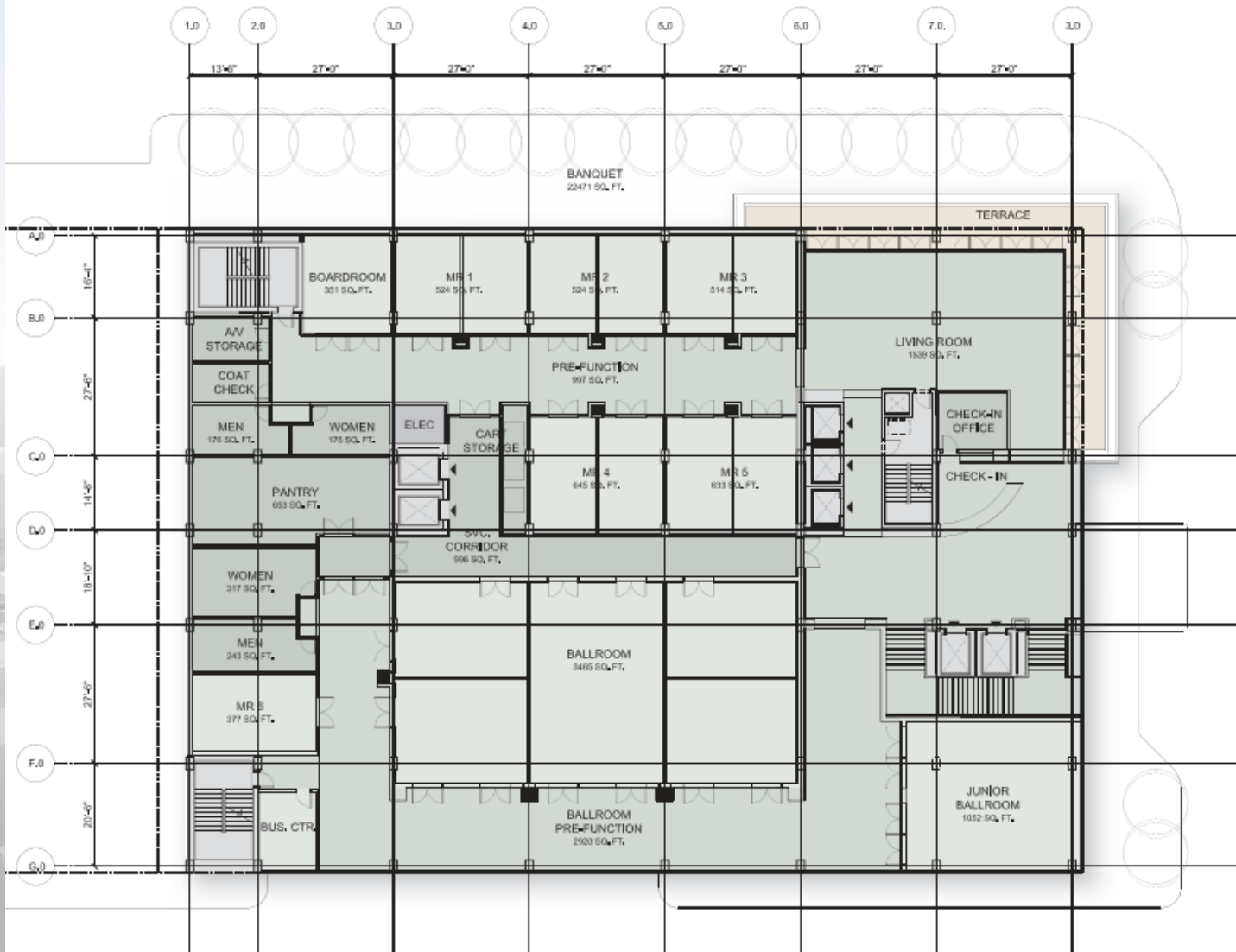


Design Process: Case Study – Austin Hotel 130847D



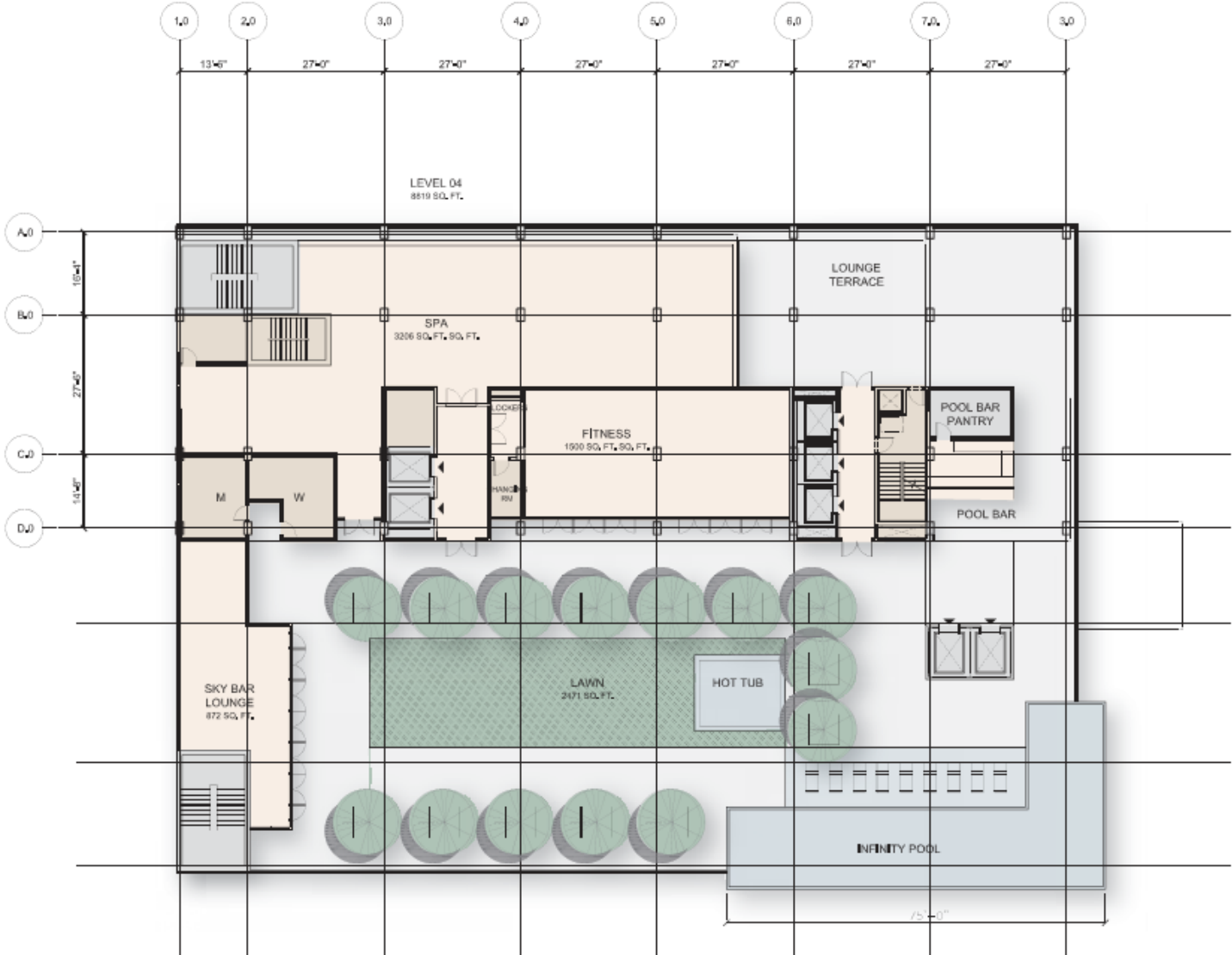
Design Process: Case Study – Austin Hotel

130847D



Design Process: Case Study – Austin Hotel

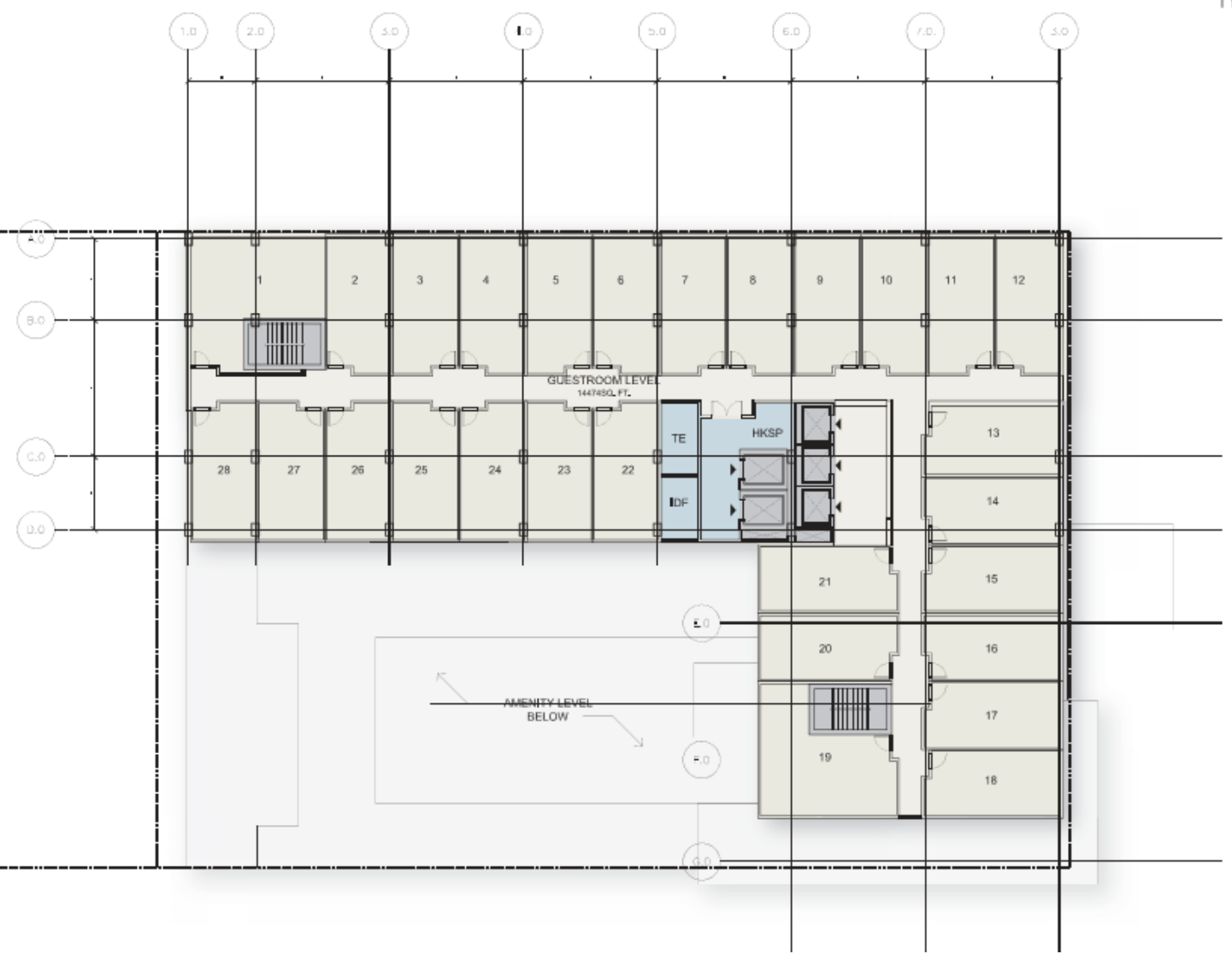
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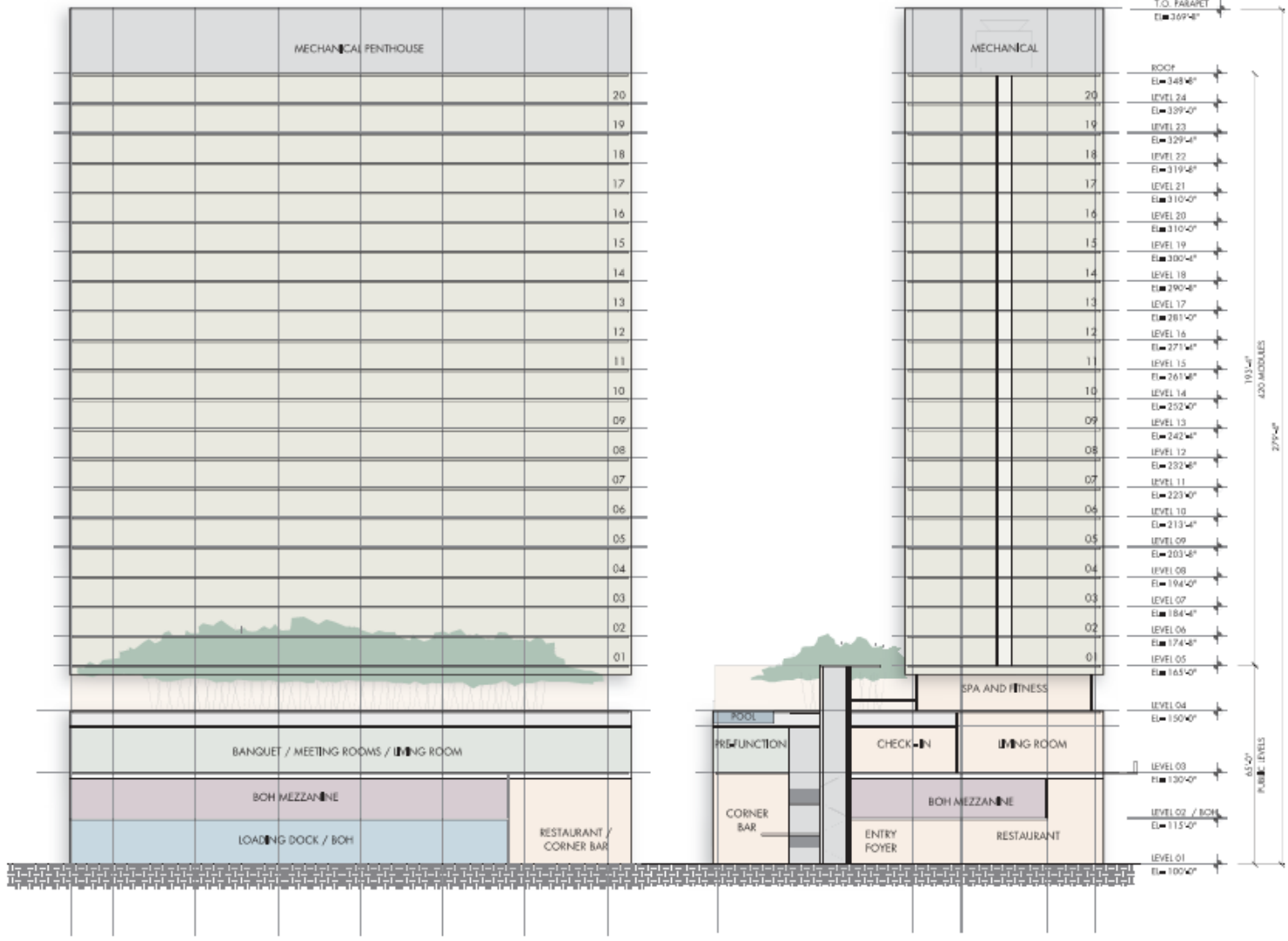




Design Process: Case Study – Austin Hotel

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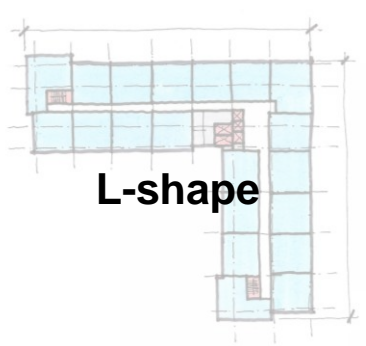
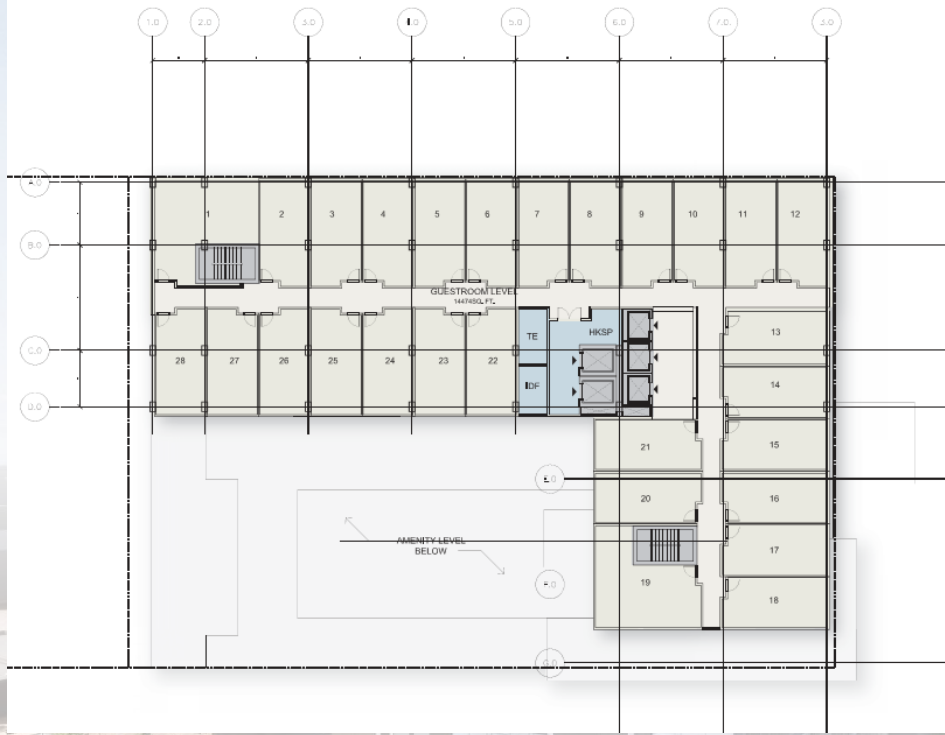




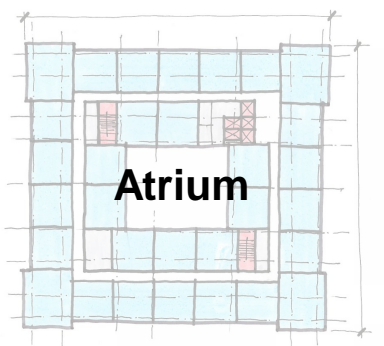
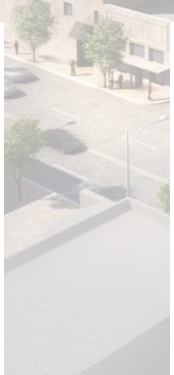
Design Process: Case Study – Austin Hotel 130847D

FLOOR LEVEL	FAR GROSS [SF]	VERTICAL TRANSPORT		CORE TOTAL [SF]	FAR NET [SF]	MODULE COUNT	PROGRAM
		LIFTS	STAIRS				
B2	2,135	158	805	963	1,172		MECH / PARKING
B1	963	158	805	963	0		MECH / PARKING
GROUND FLOOR	18,044	566	804	1,370	16,674		FOH / BOH / F+B
MEZZANINE	8,842	356	500	856	7,986		BOH
03 - BANQUET	22,417	566	800	1,366	21,051		BUS CTR
04 - AMENITY	9,003	538	866	1,404	7,599		AMENITIES
05 - TYP. LEVEL	11,061	353	312	665	10,396	21	GUEST RM LVL 1
06 - TYP. LEVEL	11,061	353	312	665	10,396	21	2
07 - TYP. LEVEL	11,061	353	312	665	10,396	21	3
08 - TYP. LEVEL	11,061	353	312	665	10,396	21	4
09 - TYP. LEVEL	11,061	353	312	665	10,396	21	5
10 - TYP. LEVEL	11,061	353	312	665	10,396	21	6
11 - TYP. LEVEL	11,061	353	312	665	10,396	21	7
12 - TYP. LEVEL	11,061	353	312	665	10,396	21	8
13 - TYP. LEVEL	11,061	353	312	665	10,396	21	9
14 - TYP. LEVEL	11,061	353	312	665	10,396	21	10
15 - TYP. LEVEL	11,061	353	312	665	10,396	21	11
16 - TYP. LEVEL	11,061	353	312	665	10,396	21	12
17 - TYP. LEVEL	11,061	353	312	665	10,396	21	13
18 - TYP. LEVEL	11,061	353	312	665	10,396	21	14
19 - TYP. LEVEL	11,061	353	312	665	10,396	21	15
20 - TYP. LEVEL	11,061	353	312	665	10,396	21	16
21 - TYP. LEVEL	11,061	353	312	665	10,396	21	17
22 - TYP. LEVEL	11,061	353	312	665	10,396	21	18
23 - TYP. LEVEL	11,061	353	312	665	10,396	21	19
24 - TYP. LEVEL	11,061	353	312	665	10,396	21	20
TOTALS	252,624	9,402	10,820	20,222	262,402	420	

420 Modules
 +/- 350-360 Keys
 20 Floors



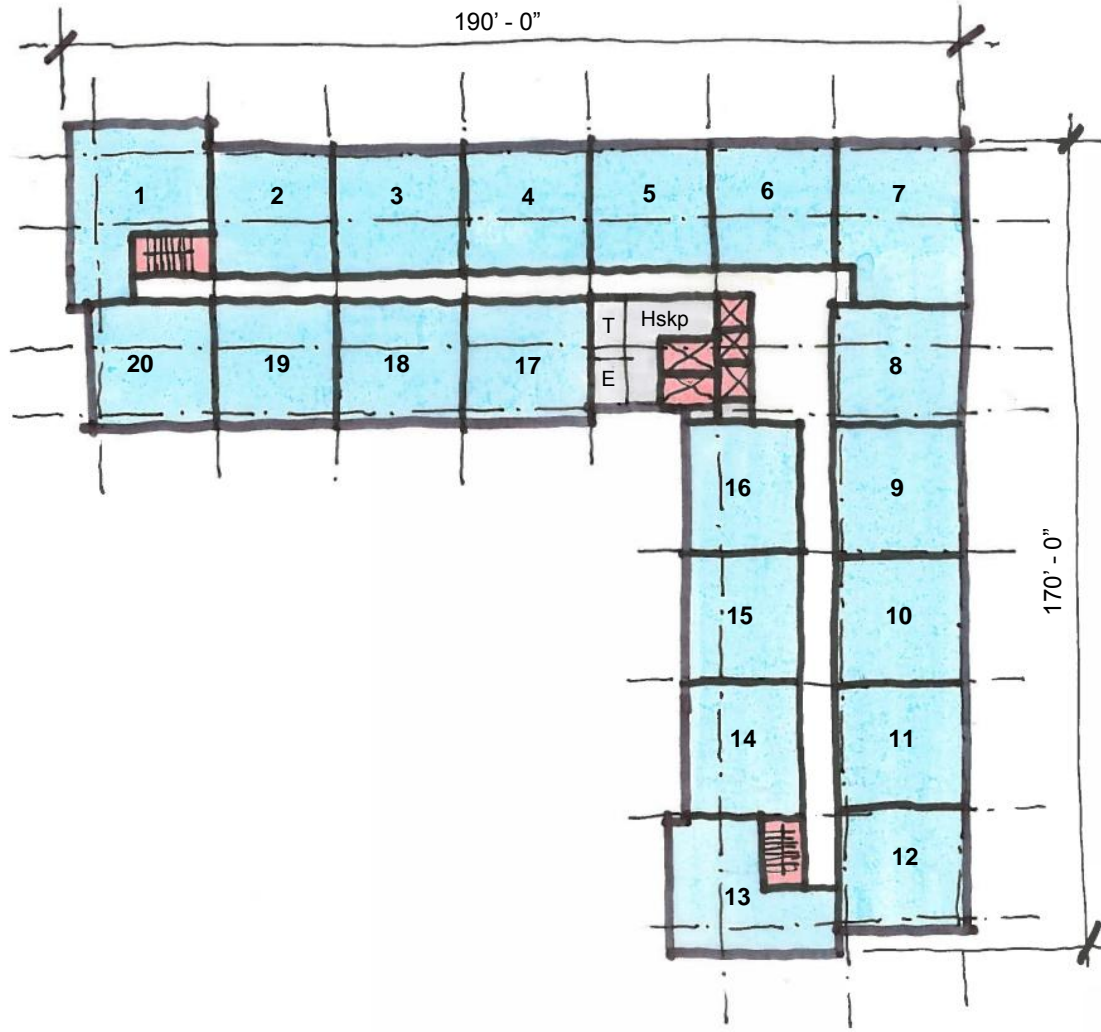
L-shape



Atrium



Towers



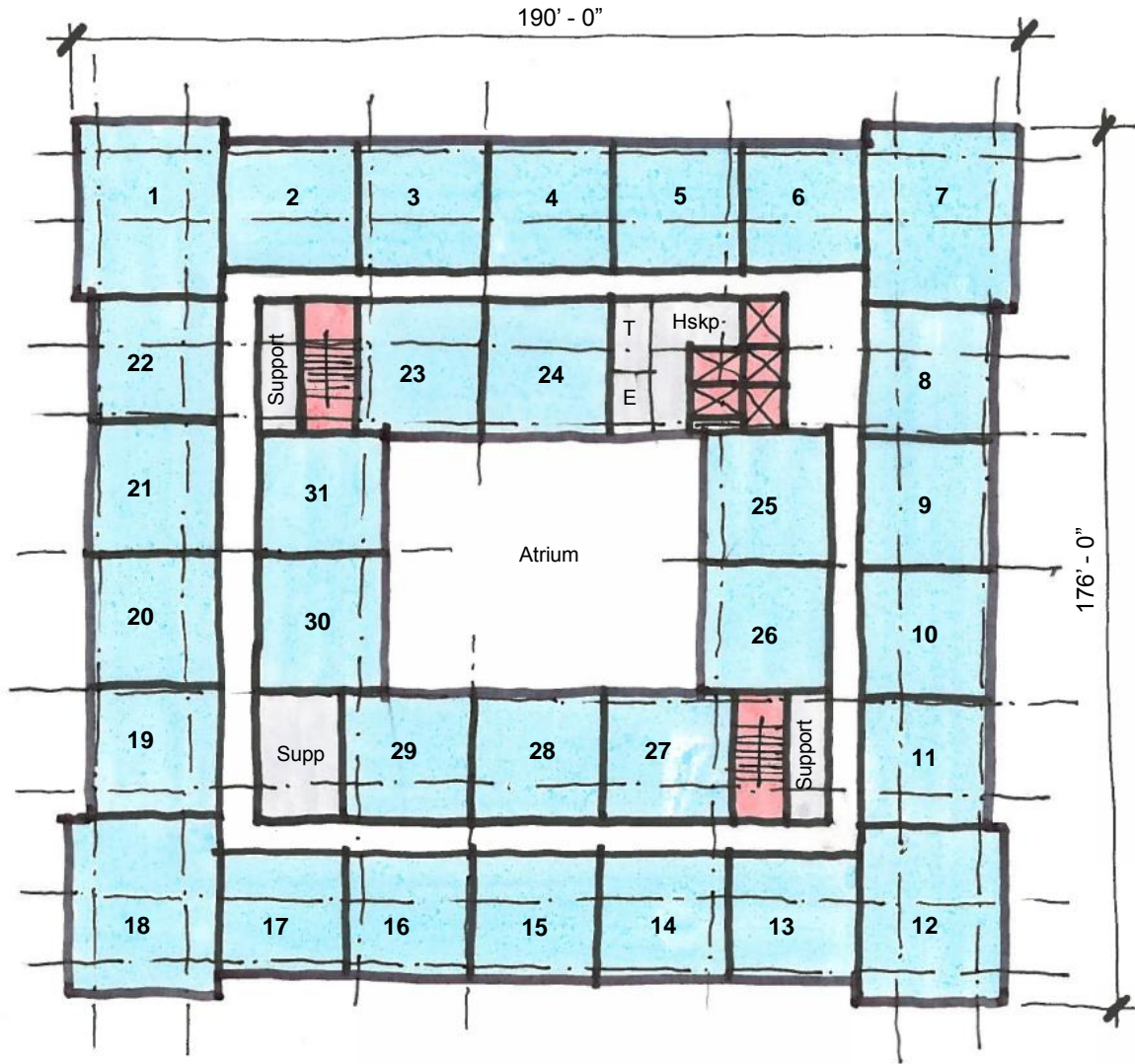
L-Shape

20 Keys/Floor
10 Floors = 200 Keys



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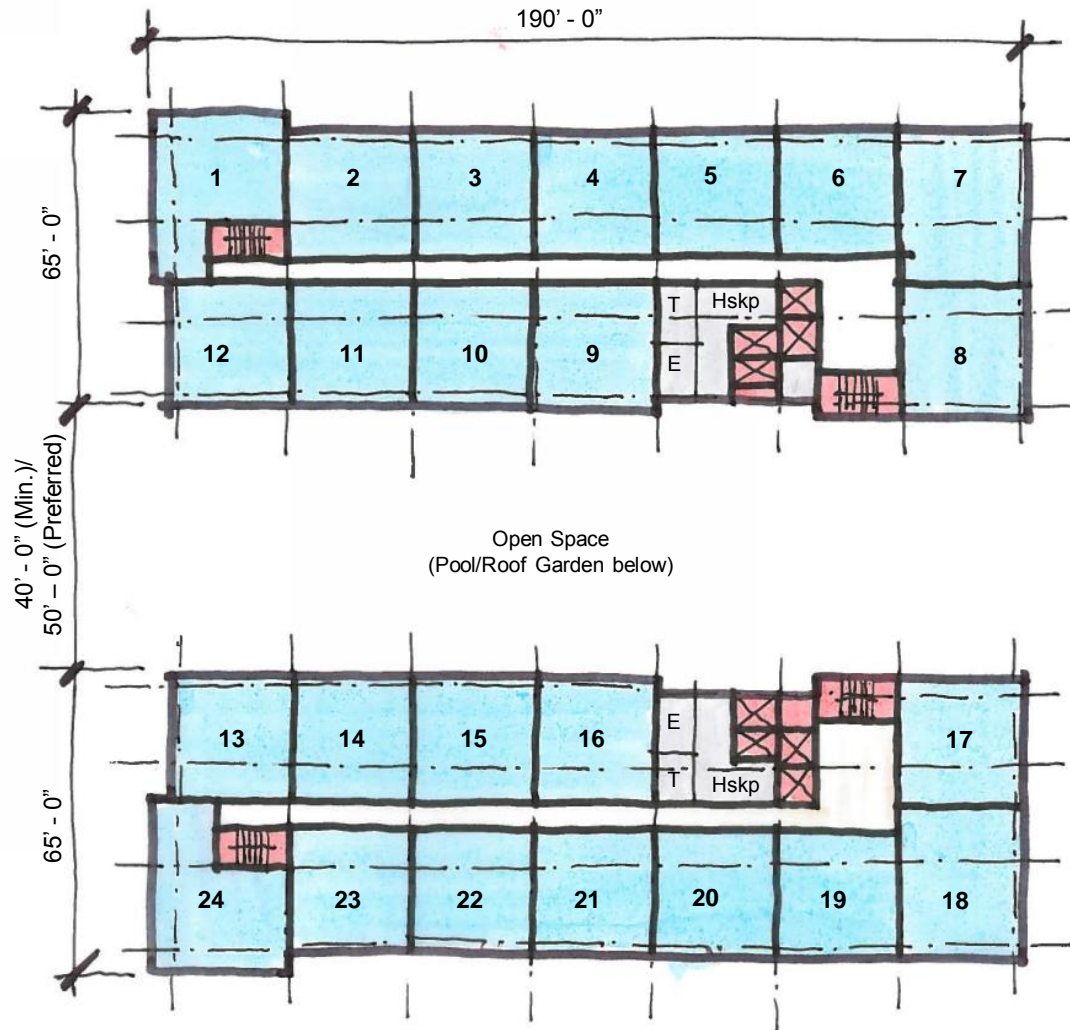
Atrium

31 Keys/Floor
6 Floors = 186 Keys
7 Floors = 217 Keys



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Two Towers

24 Keys/Floor (12 per tower)
8 Floors = 192 Keys
9 Floors = 216 Keys

Economic Indicators

	2009	2014
GDP Growth Rate	.11%	5%
Gainesville MSA Unemployment	8.2%	4.6%
Gainesville MSA Median Income	\$59,800	\$65,400
Average Inflation Rate	-.4%	.8%



Construction Impact

Methodology

The following methodology was used to prepare the estimates of economic impact generated by the construction of the subject hotel.

▮ **Construction Costs:** Using data from the *HVS 2009 Hotel Development Cost Survey*, we estimated the Building and Site Improvement Cost and Soft Costs associated with the construction of a 200 room full-service Embassy Suites hotel brand. Estimates were prepared in 2010 dollars, and inflated by .8% to reach 2016 dollars, the close of the construction period.

▮ **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 Measure Estimated Impact

Measurement	2016	2010**
Output Impact	\$82,287,886	\$78,446,345
Earnings Impact	\$22,150,088	\$21,116,030
Employment Impact	587 FTE jobs	560 FTE jobs

**PKF Consultant's Report, 2010



Operational Impact

Methodology

Estimates of economic impact were prepared based on *PKF's* estimates of revenues and expenses for a representative year of operation for the Project. For this analysis, the representative year of operation was deemed to be the fifth year of operation, or 2020. A .8% inflation rate was used to increase the revenues and expenses up through year 2019.

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

- ▣ **B.E.A. Final Demand:** This method combines the total hotel revenue estimate developed by PKF-HR with economic impact multipliers from the Bureau of Economic Analysis.
- ▣ **B.E.A. Changes in Bill-of-Goods:** This method combines detailed revenue and expense data from PKF's Trends in the Hotel Industry database with economic impact multipliers from the Bureau of Economic Analysis.
- ▣ **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 sample.



Economic Development Impact Analysis

130847D

□ **Tax Impact:** The current five percent (5%) county lodging tax, as well as the 6.75 percent state sales tax rate, were applied respectively to *Horizon's* estimates of room revenue and total revenue for the subject hotel.

Economic Measure Estimated Impact

Measurement	2019	2010**
Output Impact	\$28,356,666	\$26,394,314
Earnings Impact	\$ 7,528,672	\$ 7,007,669
Employment Impact	269 FTE jobs	234 FTE jobs
Tax Impact	2020	2015
Sales Tax (6.75% X \$8,070,676)	\$544,771	\$997,589
Lodging Tax (5% X \$7,387,600)	<u>+\$369,380</u>	<u>+\$478,939</u>
Total Taxes	\$914,151	\$1,476,528

**PKF Consultant's Report, 2010



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Q & A



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