



# City of Gainesville RE: RFP NO. ECOD 150026-FB

Mixed-use Development for City Parking Lot # 10

February 3, 2015



**Bedford  
Lodging**



proposed by: Bedford Lodging, LLC. - Developer

Pillar Hotels & Resorts - Hotel Management  
6031 Connection Dr. Suite 500, Irving TX 75039  
Phone: (972) 830-7100

subconsultants: CHW and Overcash & Demmit Architects (ODA)

# INTRODUCTION



## Jeff Blackman

President, Bedford Lodging, LLC.



## Tim Sponsler

Vice President, Marriott Hotels



## Craig Brashier

Project Manager, CHW

### PARTICIPATION

#### Bedford Lodging Involvement Roles & Responsibilities

Bedford Lodging is serving as the **project developer** for this project. company platform focuses on ground up development, third party development and advisory services. Bedford Lodging's growth is primarily focused on two areas: in-house development of company-owned projects and providing third-party hotel management support.

#### Pillar Hotels and Resorts (PHR) Involvement Roles & Responsibilities

Pillar Hotels will be serving as **hotel management** for this project. Pillar Hotels & Resorts is one of the largest hotel management companies in the United States with an expansive portfolio of well-respected hotel brands including Marriott, Hilton, Hyatt and IHG. Founded in 2004, Pillar manages operations for select-service, extended-stay, and full-service hotels across the country. Pillar operates over 220 hotels.

#### TC Hospitality Advisors Involvement Roles & Responsibilities

TC Hospitality will serve as Bedford's representative for **construction/development administration**.

### DESIGN

#### CHW's Involvement Roles & Responsibilities

CHW is serving as the local leader in land development and client representation for Bedford Lodging. CHW's involvement revolves around our versed knowledge of the Lot #10 project site and the City of Gainesville's zoning, permitting and regulatory process as well as community understanding and involvement. CHW will be the local client information representative.

#### ODA's Involvement Roles & Responsibilities

ODA is a firm of fun, creative architects, interior designers and graphic artists. ODA provides FUNomenal Design. ODA is an industry leader in hotel design. We have consulted throughout the US and Canada, in Asia, the Caribbean, and the Middle East, while assisting Marriott International, Hilton Worldwide, Hyatt, Choice Hotels International, and Intercontinental Hotels Group (IHG).

# LOT #10 MIXED USE / HOTEL PROPOSAL



# AC HOTEL / MARRIOTT ENDORSEMENT

- **Tim Sponsler,**  
Vice President Development  
Marriott International



# RELATIONSHIP

- **Project Endorsement**
  - Established Relationship with Bedford/Western International/Pillar Hotels



# MARRIOTT'S BRAND PORTFOLIO



## Level of Service

### LUXURY



### LIFESTYLE | COLLECTIONS



### SIGNATURE



### SELECT SERVICE



### EXTENDED STAY



### DESTINATION ENTERTAINMENT



# BRAND POSITIONING



**AC Hotels by Marriott is an upper moderate urban lifestyle brand, positioned as “Stylish Hotels for Urban Spirits” and “Feel the City”**

- Contemporary, simple yet elegant, European-inspired design that appeals to business and leisure travelers
- The location of each hotel and intrinsic connection with the local area creates the urban soul of the brand – “Hotel for Urban Spirits”
- Stylish hotels best suited for business travelers during weekdays that become the favorite choice for a weekend visit

## Target Guest

- Trend-setters, searching for a design-led hotel in a great location
- Design-conscious: the room design, with cool, neutral tones, appeals to this guest

AC Hotel Cordoba Palacio, Spain



AC Hotel Barcelona Forum, Spain



# PUBLIC SPACE/REGISTRATION



European sensibility with linear clean aesthetic

Distinct tone-on-tone color palette

Local connection through museum-quality modern artifacts

Flexible public space layout options

The Market featuring a retail display system offering fresh food items, salty and sweet snacks and specialty beverages

# AC LOUNGE



Bar is focal point of AC Hotels tailored to the next generation traveler

Dynamic atmosphere defining the local bar scene

Focus is on beverage "B&F"

Craft beers, signature cocktails and specialty wines

Menu features shareable plates, bar bites and snacks

Multimedia area with comfortable sofas, 52" flat-panel TV

## LIBRARY



Collaboration area with low communal table

Reading area with carefully curated press, magazines and city guides

Adjacent to the AC Lounge

Business services include printer, high speed internet and a notebook or tablet for guest use

# BREAKFAST



Healthy crafted small-plate breakfast (paid offering)

Wide range of fresh products and juices

Flexible space cross-utilized for meeting room and private events

# MEETINGS



One optional medium-sized meeting room (approx. 700 square feet)

Flexible space for business, social or family events

Available on Liquid Space



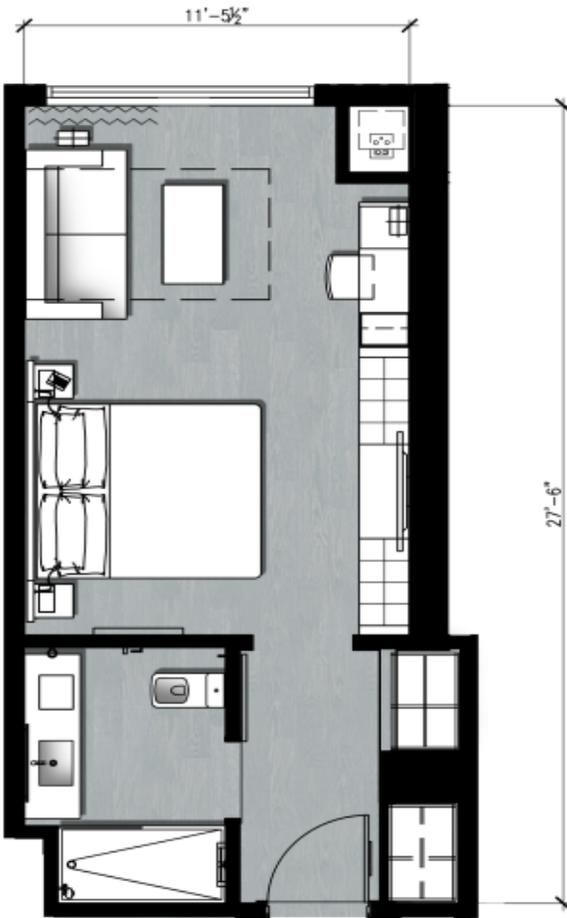
Minimum of two next generation work zones accommodating 6 – 8 people (150 square feet each)

Glass-enclosed walls integrating meeting zones into public area

Integrated technology enabling productive meetings

Available on Liquid Space

# PROTOTYPE ROOM DESIGN: STANDARD KING



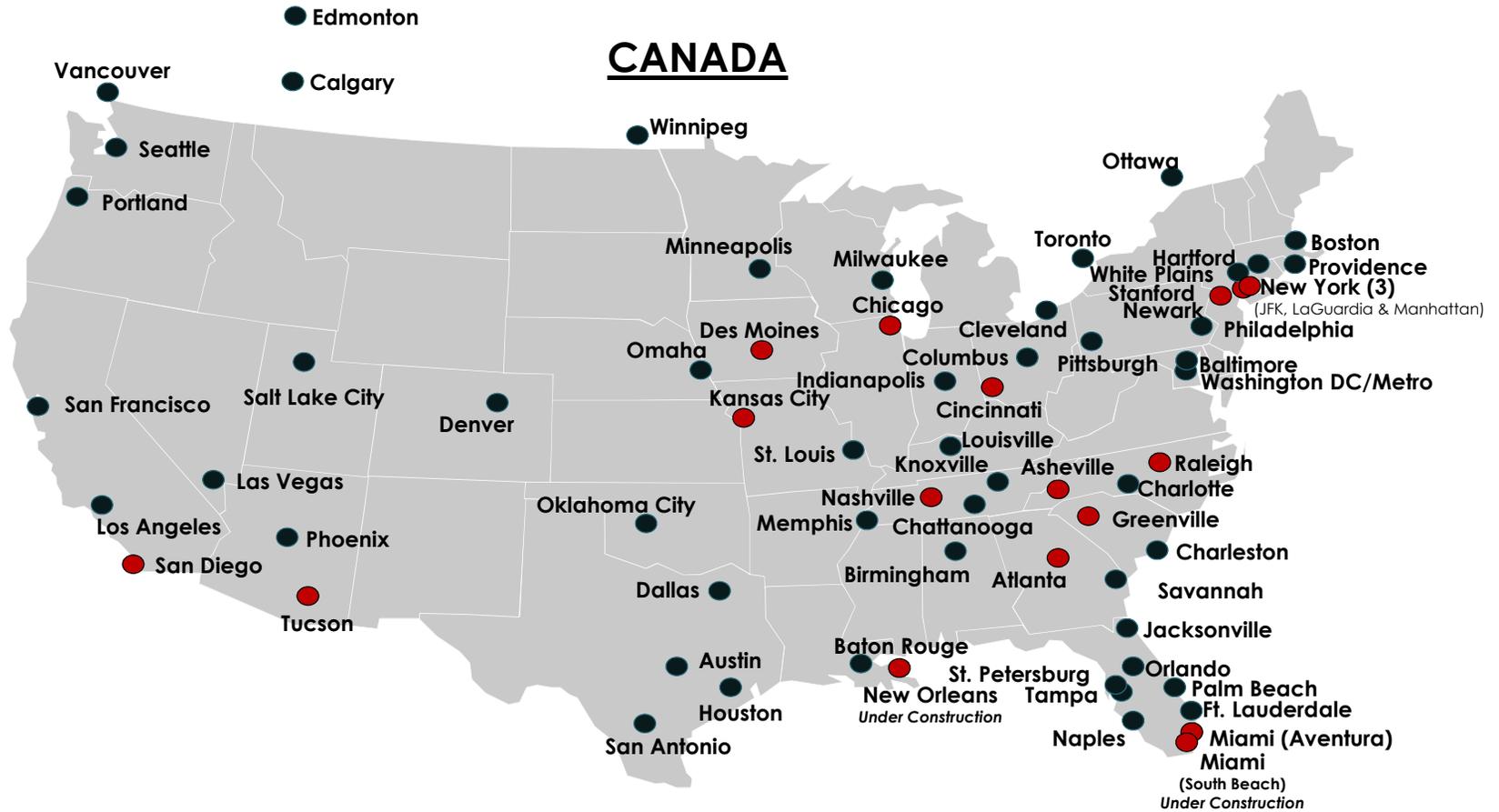
125 -150 Rooms

Gross area: 350 square feet

Net area: 306 square feet



# DEVELOPMENT UPDATE



# CURRENT PROJECTS - MIAMI BEACH, FL



Marriott Confidential and Proprietary Information

# CURRENT PROJECTS - TUCSON, AZ



# CURRENT PROJECTS – KANSAS CITY, MO



# CURRENT PROJECTS –HARRISON/NEWARK, NJ



# CURRENT PROJECTS – GASLAMP/ SAN DIEGO, CA



# CURRENT PROJECTS - NEW ORLEANS COTTON EXCHANGE



# PROJECT UNDERSTANDING

- City Relationship
- Site
- Schedule / Approval Process
- Stormwater



## REGULATORY APPROVAL PROCESS

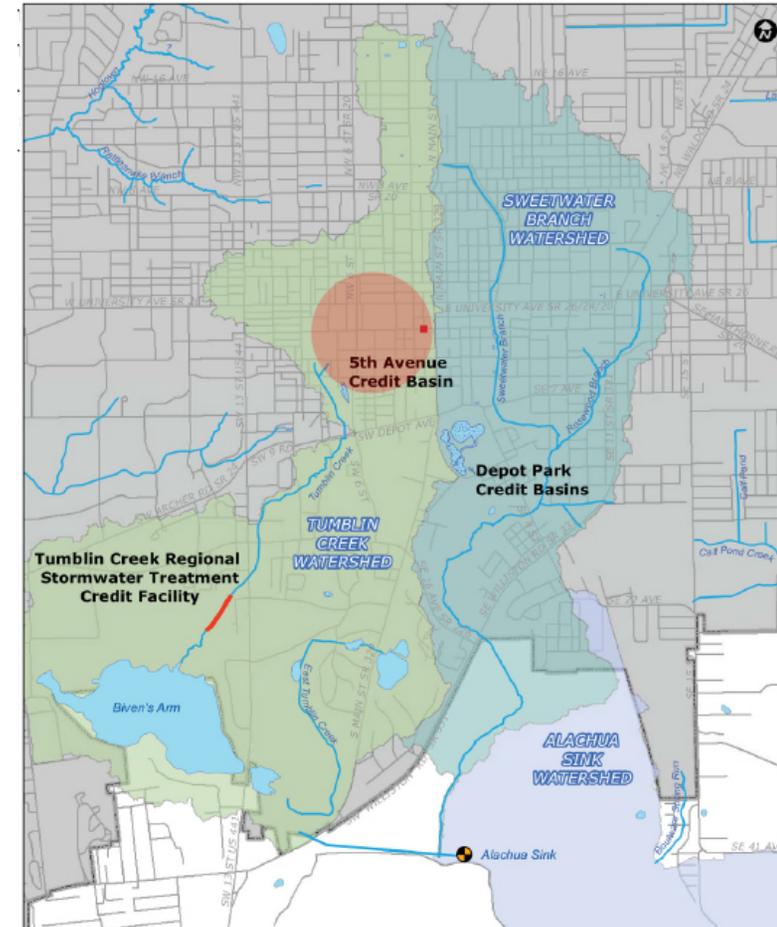
CHW is a key project team member because they are ingrained and well versed with the City of Gainesville's Comprehensive Plan, Land Development Code, and regulatory approval process. CHW will provide leadership to guide the development team preparing development plans, coordinating with the City's Planning, Building, Public Works, GRU, the CRA, and presenting the final product to the City's Development Review Board (DRB) for approval.

### Regulatory Approval Timeline

Task	Estimated Date
Site Design / Development Plan Preparation	February 2015 to April 2015
First-Step Meeting	March 2015
Neighborhood Workshop	March 2015
Development Plan Submittal / Permitting	April 2015
Development Review Board Public Hearing	July 2015
Development Order Issued	August 2015
Construction Begins	September 2015

# PROJECT UNDERSTANDING

- **5<sup>th</sup> Avenue Credit Basin**
  - Stormwater Capacity Calculations
  - High Intensity Commercial Category
  - Reserve the Capacity Immediately



# PROJECT UNDERSTANDING / PROPOSED PLAN

design / development program

PROJECT SUMMARY



AC Hotels By Marriott, gainesville, fl

**Site Area:** Approx. 39,500 sf (.91 acres)

**Brand:** AC Hotels by Marriott

**Total Stories:** 5 Stories

**Guestrooms:** 132 total (33 Keys per Floor)

**Total Area:** 82,220 HSF

Hotel: 78,570 HSF

Retail: 3,650 HSF

**Parking:** On Street & Adjacent Public Parking Structure

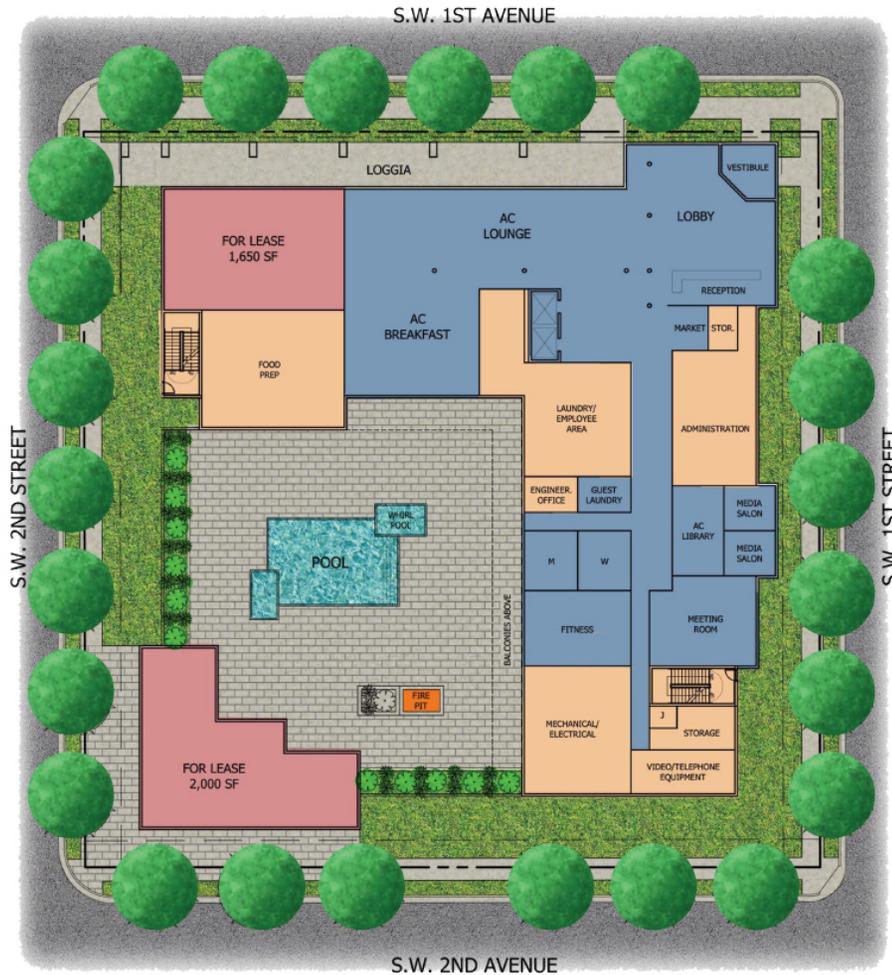


# PROJECT UNDERSTANDING / PROGRAM

## HOTEL DATA

- 5 Stories
- 132 Guestrooms (33 Keys per floor)
- First Floor Area:  
19,700 sf (includes leasable space)
- Typical Floor Area: 15,630 sf
- Heated SF Totals:  
Hotel: 78,570 hsf  
Retail: 3,650 hsf  
TOTAL: 82,220 hsf

**AC Hotel Gainesville**  
Gainesville, Florida



# FINANCIAL CAPACITY / EXPERIENCE

## Bedford Lodging Development Pipeline

- Fairfield Inn & Suites-El Paso, TX  
124 Rooms Under construction, to open 4/2015
- Residence Inn by Marriott-Austin, TX  
120 Rooms Estimated construction start-4/2015
- Towneplace Suites by Marriott-Austin, TX  
120 Rooms Estimated construction start-5/2015
- Fairfield Inn & Suites by Marriott-Superior, CO  
110 Rooms Estimated construction start-9/2015
- Residence Inn by Marriott-Pompano Beach, FL  
112 Rooms Estimated construction start-5/2015
- Residence Inn by Marriott-Oakland Park, FL  
117 Rooms Estimated construction start-7/2015
- Waterwalk Hotel & Apartments - Houston, TX  
130 Rooms Estimated construction start-10/2015



# FINANCIAL CAPACITY / EXPERIENCE

## ■ Western International recent developments (2007-2013)

- Residence Inn-Tucson, AZ Airport
- Towneplace Suites-Tucson, AZ Airport
- Towneplace Suites-Tucson, AZ-Williams Centre/University
- Homewood Suites-Yuma, AZ
- Hilton Hotel, Chandler, AZ
- TPS Houston, TX-Woodlands
- TPS Houston, TX-Interncontinental Airport
- Fairfield Inn & Suites, Houston, TX Intercontinental Airport
- Marriott Hotel, Houston, TX West
- Residence Inn, Houston West
- Residence Inn, Abilene, TX
- Residence Inn, Temple, TX
- Residence Inn, Killeen, TX
- Residence Inn, Midland, TX
- Residence Inn, Odessa, TX
- Towneplace Suites, Midland, TX
- Towneplace Suites, Odessa, TX
- Hilton Garden Inn, Midland, TX
- Towneplace Suites, Corpus Christi, TX
- Courtyard, Corpus Christi, TX
- Towneplace Suites, San Antonio, TX Airport
- Towneplace Suites, San Antonio, TX NW

# FINANCIAL CAPACITY / EXPERIENCE

- **Hilton Chandler, AZ (suburb of Phoenix)**
  - 196-room new build Hilton hotel
  - 6 story concrete/block and plank construction
  - 6,000 square feet of meeting space
  - Outdoor living and dining areas
  - Won prestigious Connie Award for Hilton hotel of the year in 2011 and 2013
  
- **Marriott Hotel-Houston, TX**
  - 207-room compact full service hotel
  - 5,000 square feet of meeting space
  - 11-story concrete construction
  
- **Towneplace Suites-Tucson, AZ**
  - 123-room all suite extended stay hotel in college market near University of Arizona
  - Hotel was awarded opening of the year award by Marriott International for creative design and opening performance



# FINANCIAL CAPACITY / EXPERIENCE

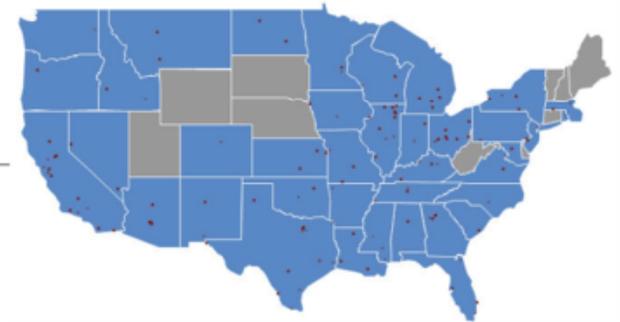


## Third Party Management. First Class Expertise.

Pillar Hotels & Resorts is one of the largest hotel management companies in the United States with an expansive portfolio of well-respected hotel brands including Marriott, Hilton, Hyatt and IHG. Founded in 2004, Pillar manages operations for select-service, extended-stay, and full-service hotels across the country.

Owner-ready information technology, scalability, and operational and organizational integrity make Pillar a best-in-class company that consistently delivers exceptional results. We provide highly competent and professional management services and are committed to staffing our hotels with outstanding service personnel.

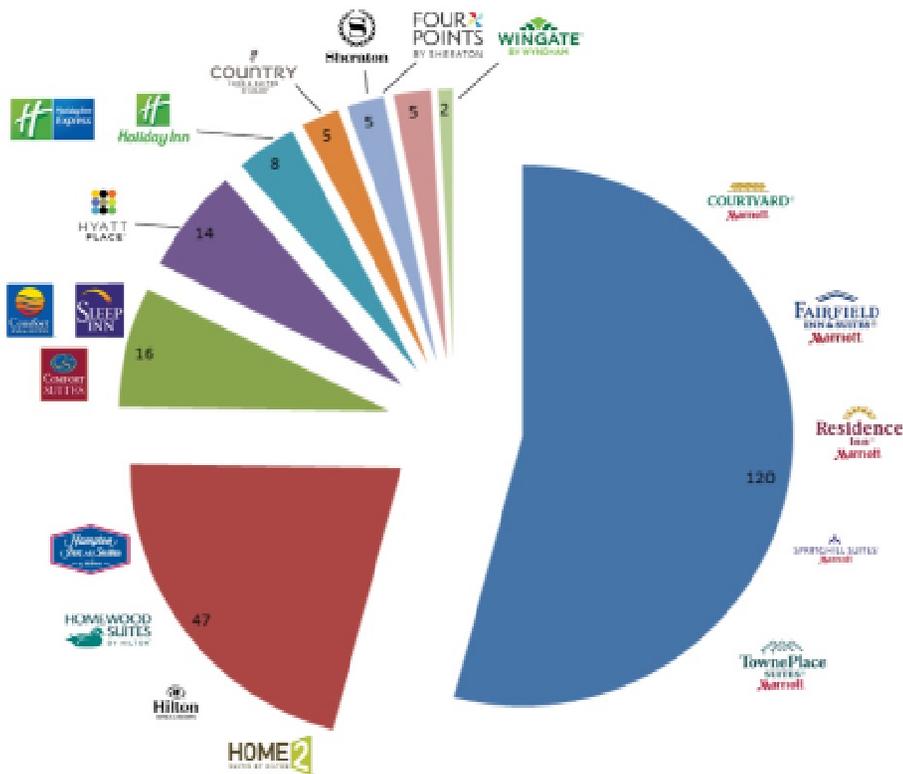
## Pillar at-a-Glance



View interactive map online at [pillarhotels.com](http://pillarhotels.com)

# FINANCIAL CAPACITY / EXPERIENCE

Brand Diversity (222 properties)



- Marriott, 54%
- Hilton, 21%
- Choice, 7%
- Hyatt, 7%
- IHG, 4%
- Carlson, 2%
- Starwood, 2%
- Independent, 2%
- Wyndham, 1%

Our Ranking



2014 HOTEL MANAGEMENT SURVEY  
TOP THIRD-PARTY  
MANAGEMENT COMPANIES

RANK	COMPANY	PROPERTIES	REVENUE (\$ MIL)	EBITDA (\$ MIL)	EBITDA MARGIN (%)	EBITDA PER SHARE (\$)	EBITDA PER SHARE (\$)
1	Marriott Hotels & Resorts	1,000	10,000	2,000	20%	10	10
2	Hilton Hotels Corporation	800	8,000	1,600	20%	8	8
3	Choice Hotels International	600	6,000	1,200	20%	6	6
4	Hyatt Hotels Corporation	400	4,000	800	20%	4	4
5	IHG Hotels & Resorts	300	3,000	600	20%	3	3



Filler Hotels & Resorts was included in **HOTELS** magazine as the 325th largest hotel company in the world for 2013, ranked among other management companies and well-known international hotel brands. Filler was also included in **HOTELS**' ranking of the Top 50 Hotel Companies based on number of properties.



# PROJECT UNDERSTANDING / TERMS

## Business Terms

*In return for Bedford Lodging's approximately \$20,000,000 investment into the design and construction of this mixed-use hotel, the following conditions and assurances are requested:*

- **PRICE:** The City will transfer the land for \$100, or another mutually agreed upon nominal fee, to Bedford Lodging for the development of the mixed use facility.
- **PARKING:** Bedford Lodging will enter into an agreement with the City of Gainesville to lease 160 parking spaces in the Southwest Downtown Parking Garage at a cost of \$5 per space per month for a period of 20 years. Payments will be made to the City of Gainesville annually on the anniversary date of the agreement. Bedford Lodging's price per space per month may increase a maximum of 1.5% annually, only if public parking rates increase at rate equal to or greater than 1.5%. At the time of annual payment, Bedford Lodging has the option to increase or decrease the number of leased spaces by a maximum of 20%. Bedford Lodging 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.

# PROJECT UNDERSTANDING / TERMS

## Business Terms

*In return for Bedford Lodging's approximately \$20,000,000 investment into the design and construction of this mixed-use hotel, the following conditions and assurances are requested:*

- **STORMWATER:** Bedford Lodging 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 Bedford Lodging. Bedford Lodging is also guaranteed that stormwater quantity treatment requirements will be calculated based on pre-development versus post-development site run-off conditions.
- **TREE MITIGATION:** The City of Gainesville shall waive the tree mitigation fee associated with the removal of the first three (3) regulated trees on the project site. Bedford Lodging will satisfy all other tree replacement mitigation requirements for regulated trees removed after the first three (3).
- **PRE-EXISTING LAND CONDITIONS:** The City of Gainesville shall remediate any pre-existing, environmentally hazardous conditions on site, as necessary, at no expense to Bedford Lodging. The City of Gainesville ensures Bedford Lodging that the development of this project will not be prohibited or significantly delayed by such pre-existing environmentally hazardous conditions.

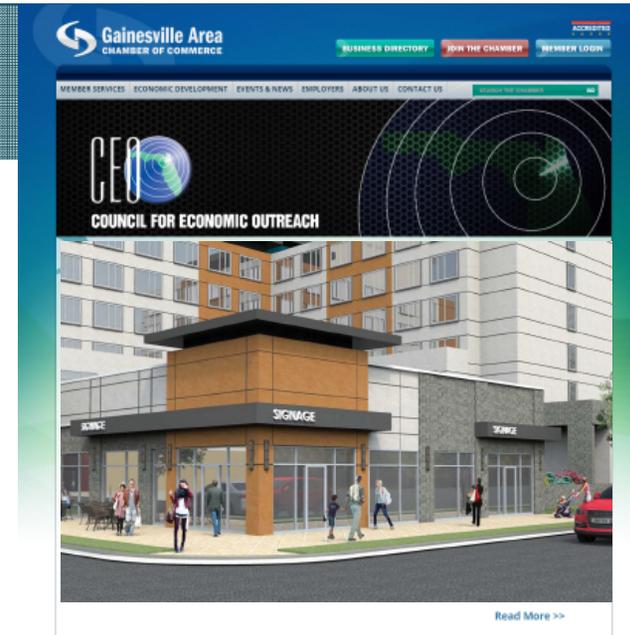
# ECONOMIC IMPACT

CITY OF  
**GAINESVILLE**  
every path starts with passion  
FLORIDA

*Creation of a destination for visitors is the catalyst for generating an economic return on investment beyond property tax. The destination reinforces the economic strength of the entire downtown and City.*

## Estimated Economic Impact of 132 room AC by Marriott Gainesville Downtown.

- The hotel is estimated to generate, on average over the first 10 years, \$1,140,000 per year in taxes.
- This estimate comes from \$380,000 per year in Bed Tax, \$500,000 per year in Sales Tax, \$200,000 per year in Property Tax, and \$60,000 per year in Tangible Tax.
- \$10,000,000 in taxes over a 10 year period.

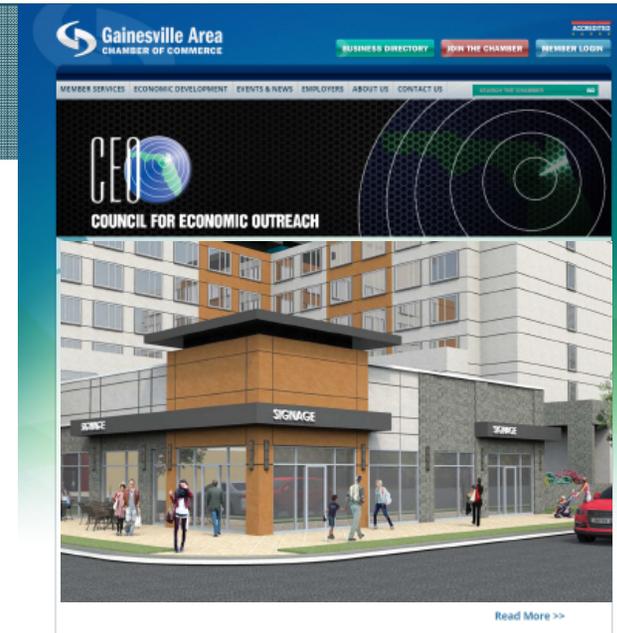


# ECONOMIC IMPACT

CITY OF  
**GAINESVILLE**  
every path starts with passion  
FLORIDA

*Creation of a destination for visitors is the catalyst for generating an economic return on investment beyond property tax. The destination reinforces the economic strength of the entire downtown and City.*

- Total direct hotel investment for design and construction is estimated to be \$20 Million.
- Hotel construction is estimated to generate 200 jobs and construction expenditures are estimated to generate 250 jobs.
- Construction is estimated to generate direct household earnings of \$8 Million and is estimated to generate indirect household earnings of \$7 Million.
- Once open, the hotel's annual operating expenditures are estimated to be \$4 Million.
- The hotel is estimated to have a staff of 60 full and part-time employees.
- Total sales over a 10 year period of time is expected to be \$68 million.





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