



ESCAMBIA COUNTY
FIELD HOUSE & ARENA
SUPPLEMENT TO UNSOLICITED PROPOSAL
OCTOBER 5TH, 2017



PRIMARY DEVELOPMENT TEAM



Developer/Financier

One of the world's largest P3 developers with over 200 public-private partnerships successfully completed across the globe.

Primary Contact

Jed Freedlander

Vice President, Development



Co-Developer

North America's leader in event center development having completed over a dozen multi-use event centers and community recreation facilities in the U.S.

Primary Contact

Rick Kozuback

President and CEO



Facility Management

A full service venue management, food and beverage coordinator and programming solution provider to arenas, theaters and convention centers throughout the U.S.

Primary Contact

Joe Romano

Executive Vice President



Design Builder

One of the nation's largest construction management firms primarily serving the Civic/Municipal and Education building sectors, frequently as part of P3 development teams.

Primary Contact

Roger Baum

*Vice President,
Public-Private Partnerships*



Architect of Record

Award winning, full service architectural firm specializing in Civic/Municipal and Education facility design, frequently as part of P3 development teams.

Primary Contact

Vispi Karanjia

Partner, Business Unit Leader

CONCEPTUAL PROGRAM

- **100,000 SF FIELD HOUSE** (MULTI-USE SPORTS TOURISM VENUE)
- **6,500 FIXED SEAT ARENA** (MULTI-USE EVENT VENUE, PENSACOLA SPORTS HALL OF FAME & MUSEUM, & COMMUNITY ICE RINK)
- **120-150 KEY HOTEL**
- **MIXED-USE OUT PARCELS** (RETAIL, RESTAURANT, ETC.)
- **PEDESTRIAN PLAZA**
- **PARKING** (STRUCTURED & SURFACE)

CONCEPTUAL SITE PLANS

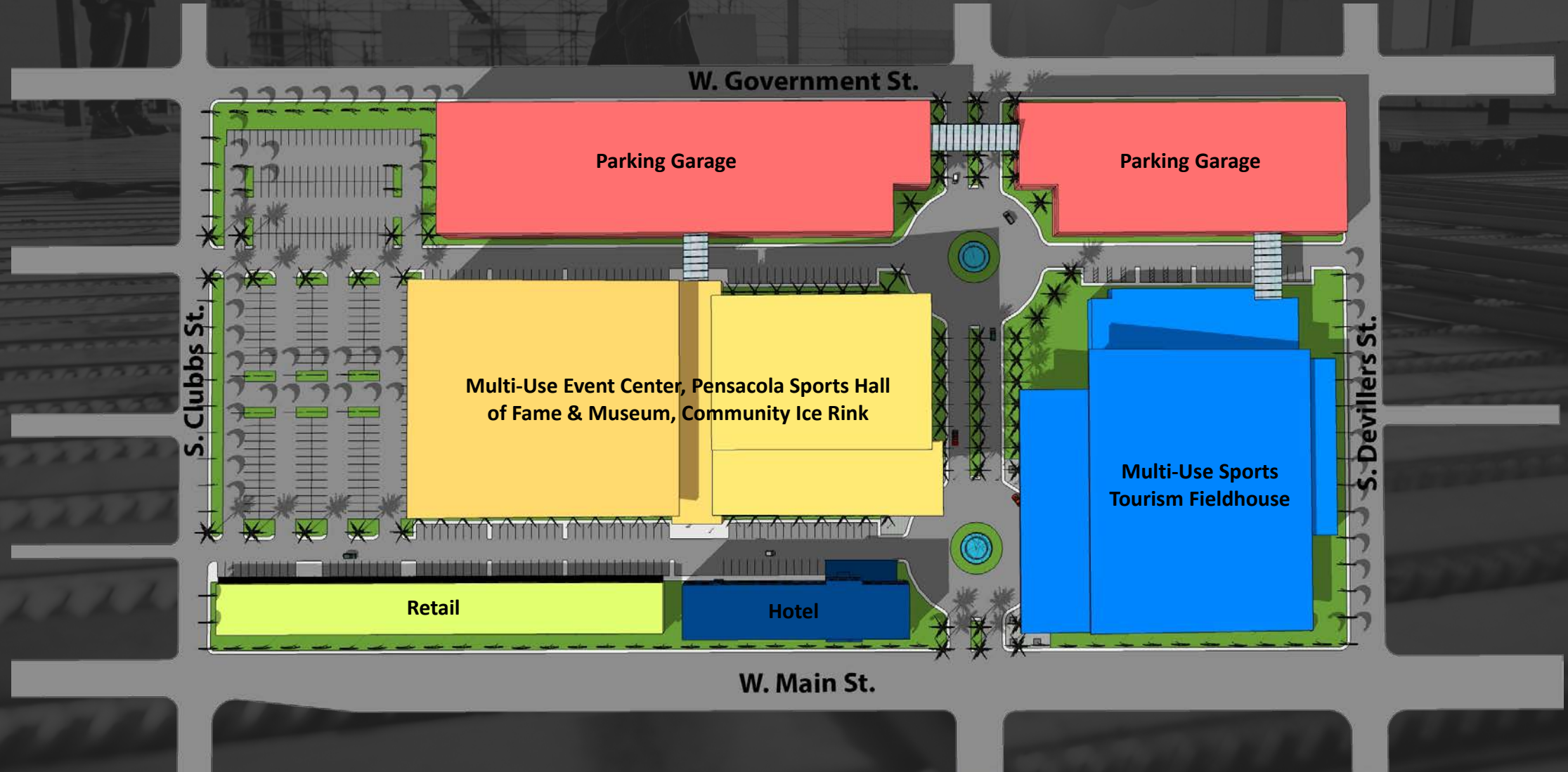


OPTION A:
STUDER PROPERTIES SITE

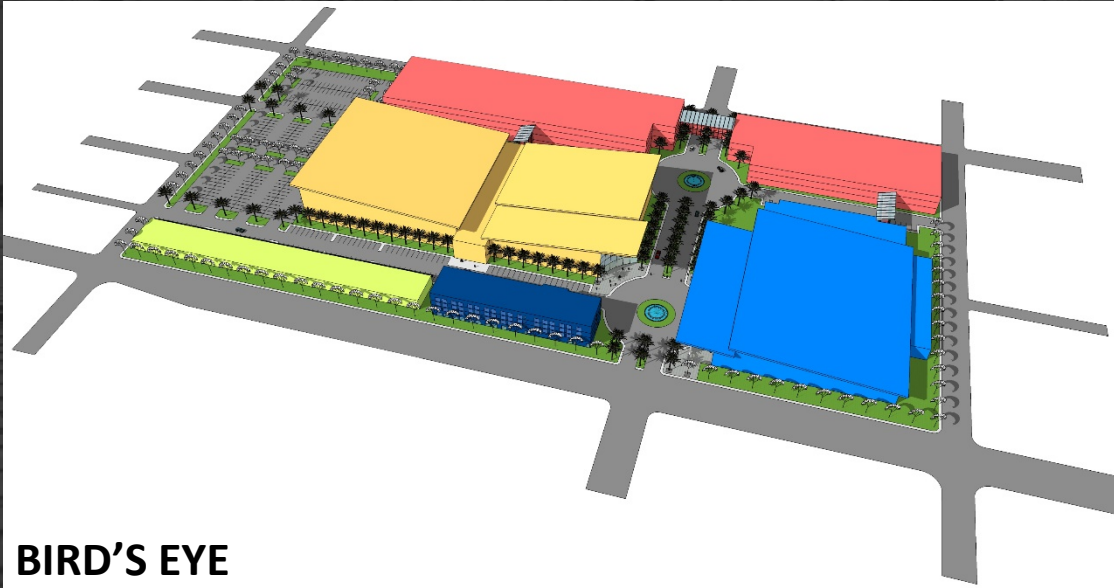


OPTION B:
BAY CENTER SITE

OPTION A: STUDER PROPERTIES SITE



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BIRD'S EYE



PROMENADE

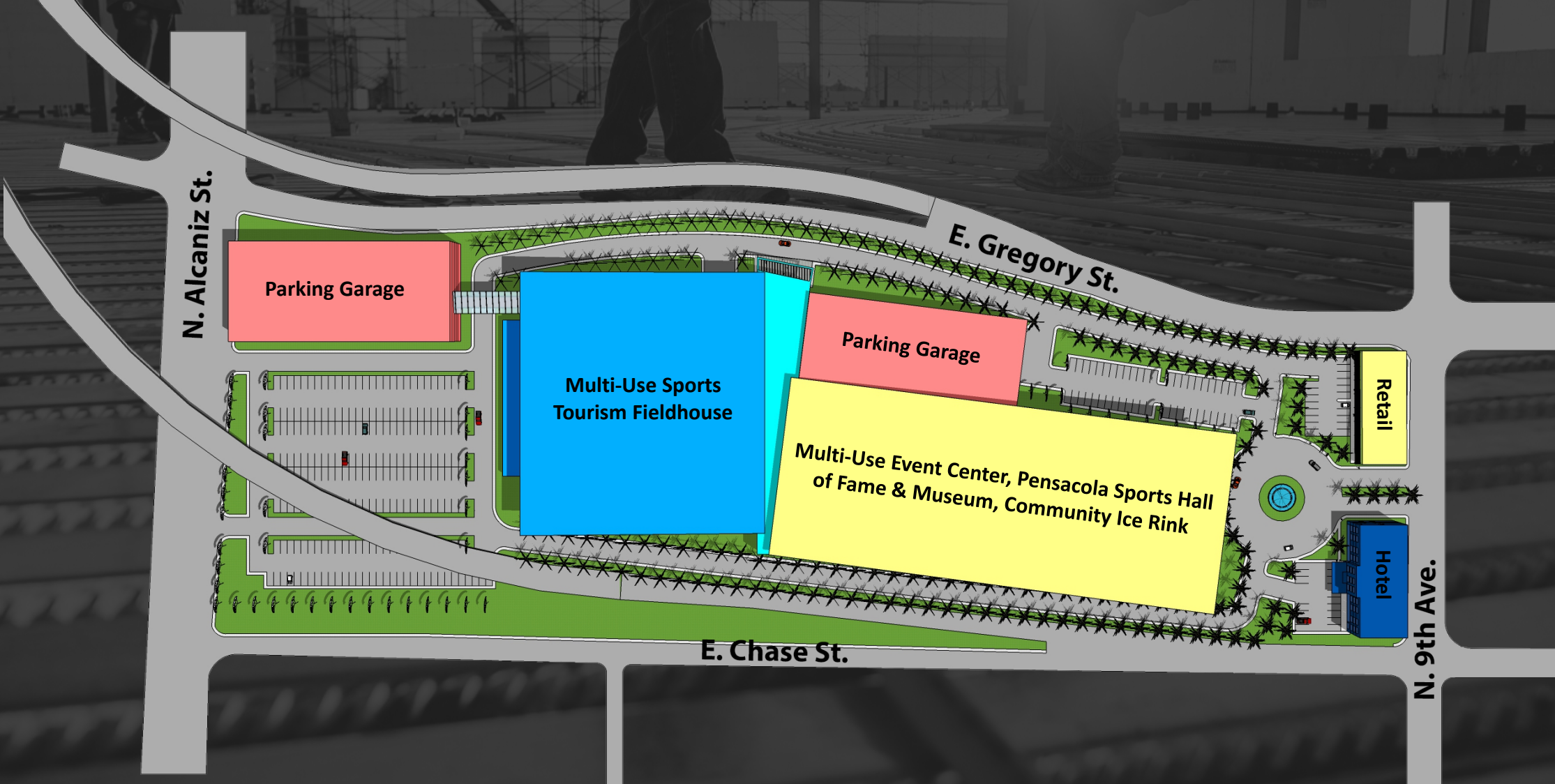


EVENT CENTER

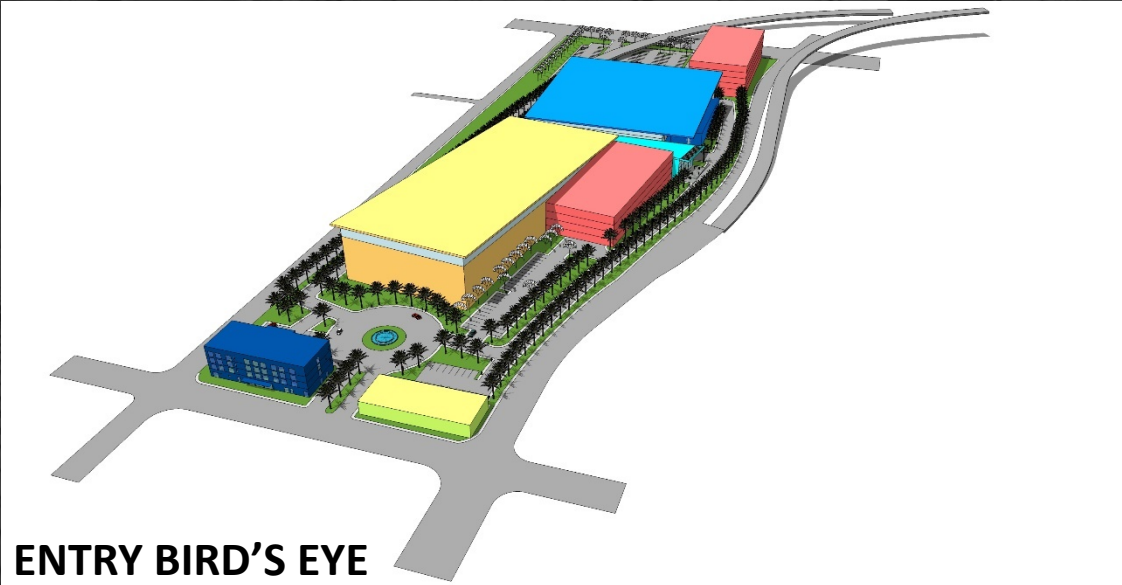


PROMENADE 2

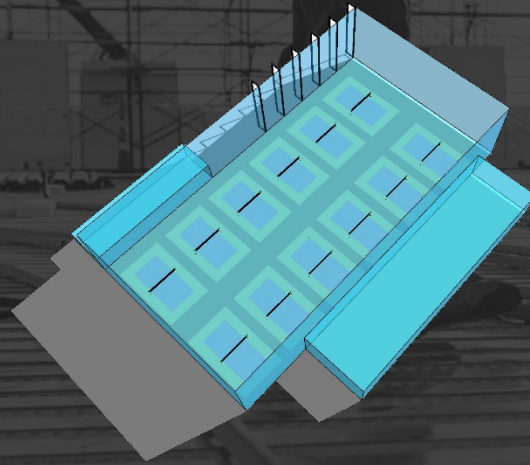
OPTION B: BAY CENTER SITE



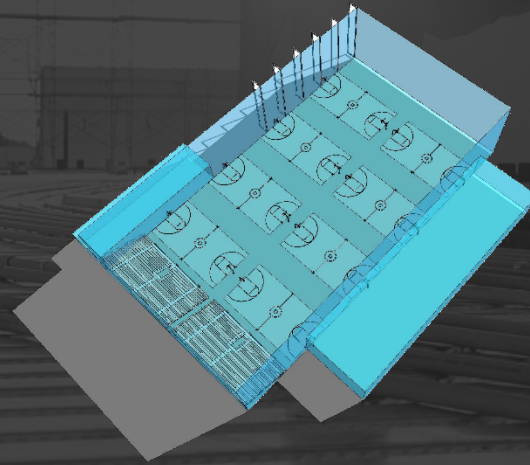
OPTION B: BAY CENTER SITE



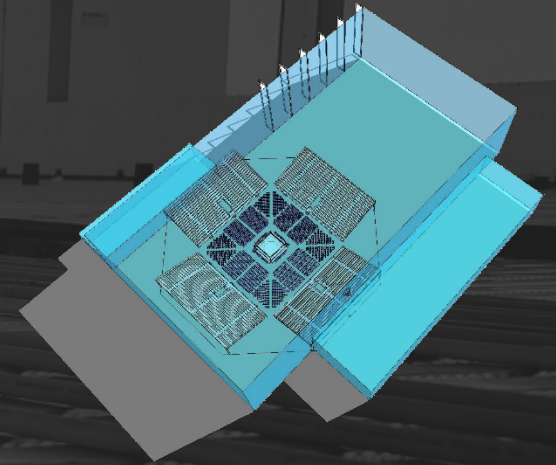
MULTI-USE FIELD HOUSE LAYOUTS



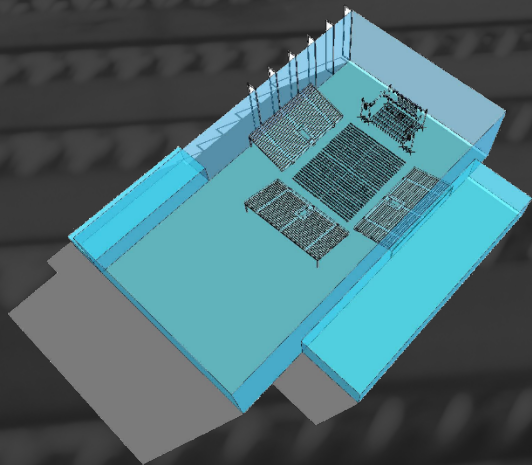
Volleyball Courts



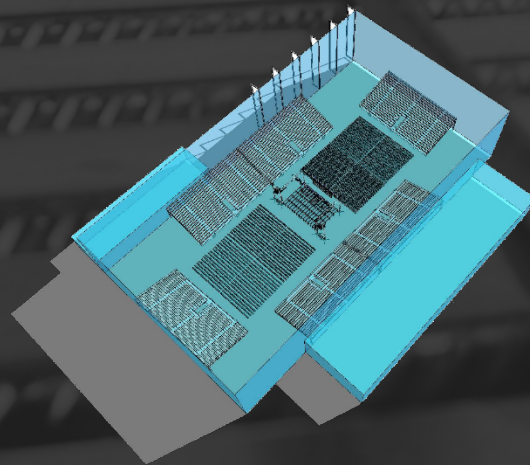
Basketball Courts



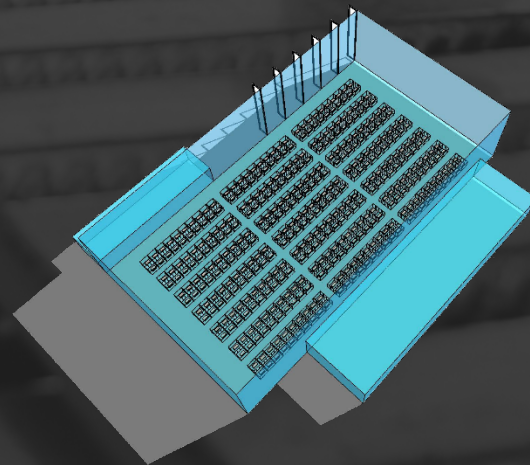
Boxing Arena



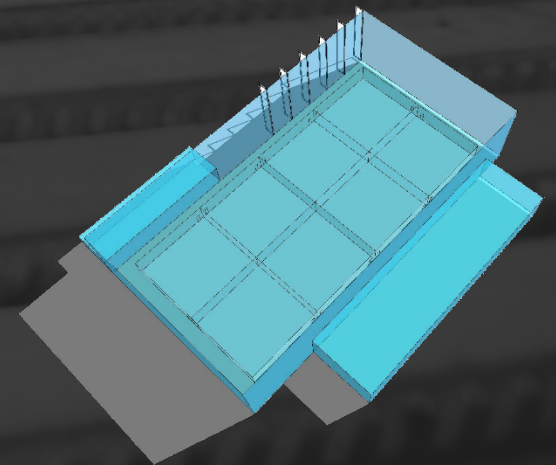
Stage - Side Layout



Stage - Center Layout



Trade Show



Conference Rooms

MULTI-USE ARENA LAYOUTS

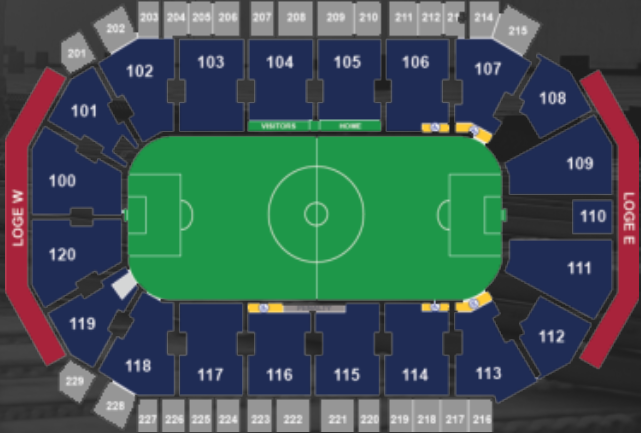
Basketball



HOCKEY



SOCCER



END STAGE CONCERT



HALF HOUSE CONCERT



QUARTER HOUSE CONCERT



EXAMPLE ELEVATIONS & COST ESTIMATES



MULTI-USE FIELD HOUSE

\$17-\$25M



MULTI-USE ARENA

\$48M-\$65M

PROJECTED ECONOMIC IMPACT : FIELDHOUSE

- **DIRECT:** \$24,843,000 - \$28,454,000 / YEAR
- **INDIRECT & INDUCED:** \$12,951,000 - \$14,835,000 / YEAR
- **TOTAL NEW JOBS LOCALLY:** 450 – 520

Source: Crossroads Study: Pensacola, Florida - January 2016
80,000 square foot field house facility.

REPRESENTATIVE ECONOMIC IMPACT: ARENA

- **DIRECT: \$7,400,000 / YEAR**
- **INDIRECT & INDUCED: \$5,600,000 / YEAR**
- **TOTAL NEW JOBS LOCALLY: 250**

Source: Hunden Strategic Partners: Racine, Wisconsin - August 2016
4,300 seat events center only. NBA G-League tenant.

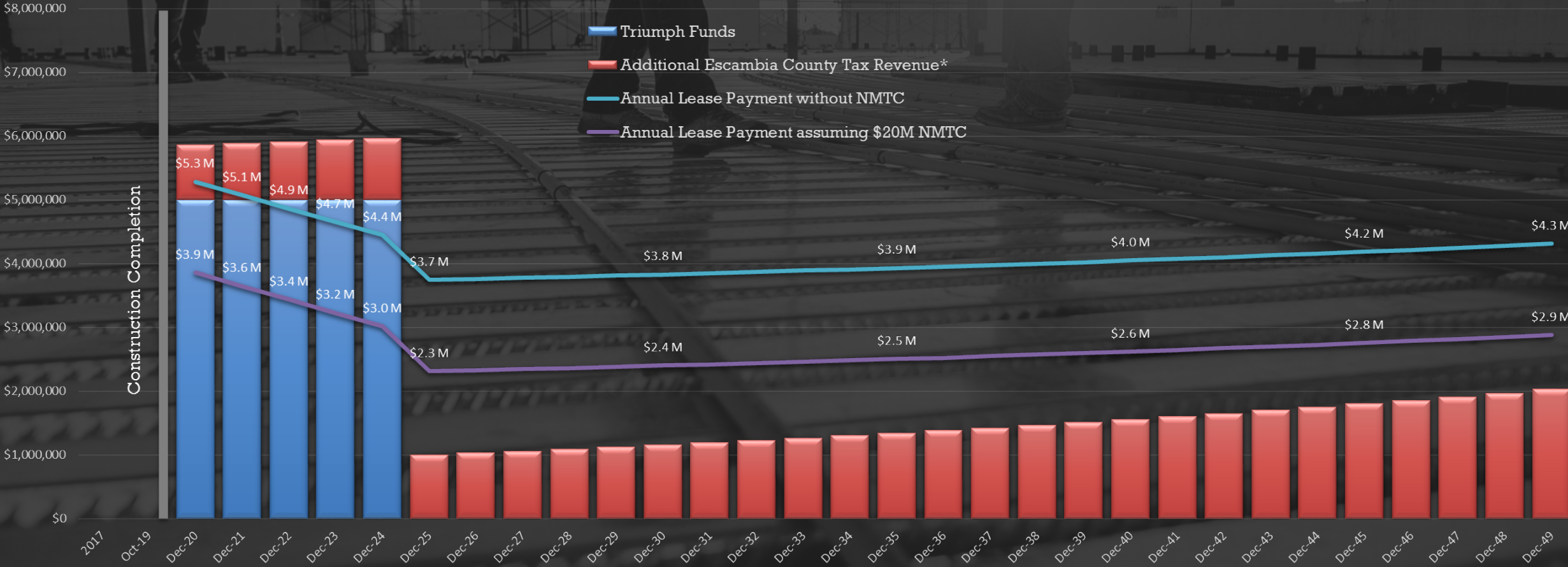
- **DIRECT, INDIRECT & INDUCED: \$13,000,000 / YEAR**
- **TOTAL NEW JOBS LOCALLY: 265**

Source: Texas Economic Development Corporation: Allen, Texas - 2015*
6,500 seat arena/events center and community ice rink.

*After 5 years of operation

ESTIMATED LEASE PAYMENTS & POTENTIAL COUNTY FUNDING SOURCES

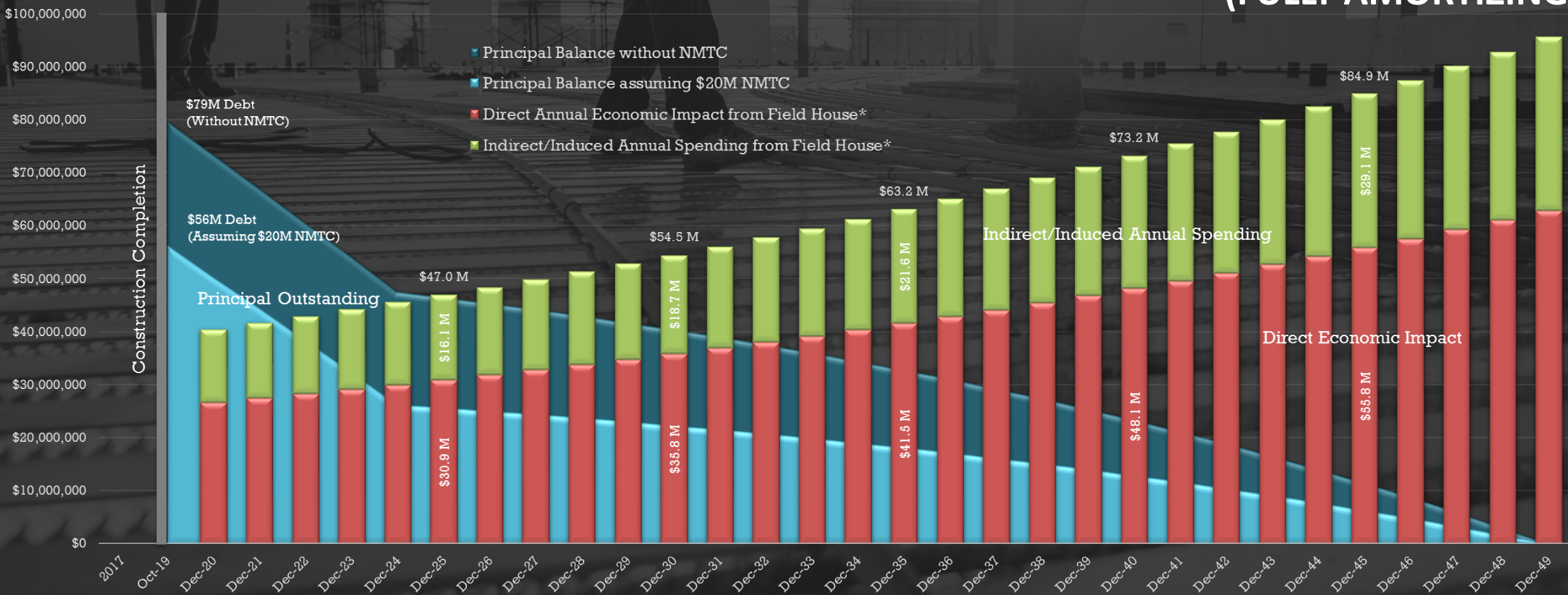
(FULLY AMORTIZING)



* Additional Escambia County Tax Revenue provided in *Crossroads Draft Study on Escambia County Community Recreation and Sports Tourism Needs*, Dated January 2016. (inflated at 3% per annum)

ESTIMATED DEBT REPAYMENT SCHEDULE & COUNTY ECONOMIC IMPACT

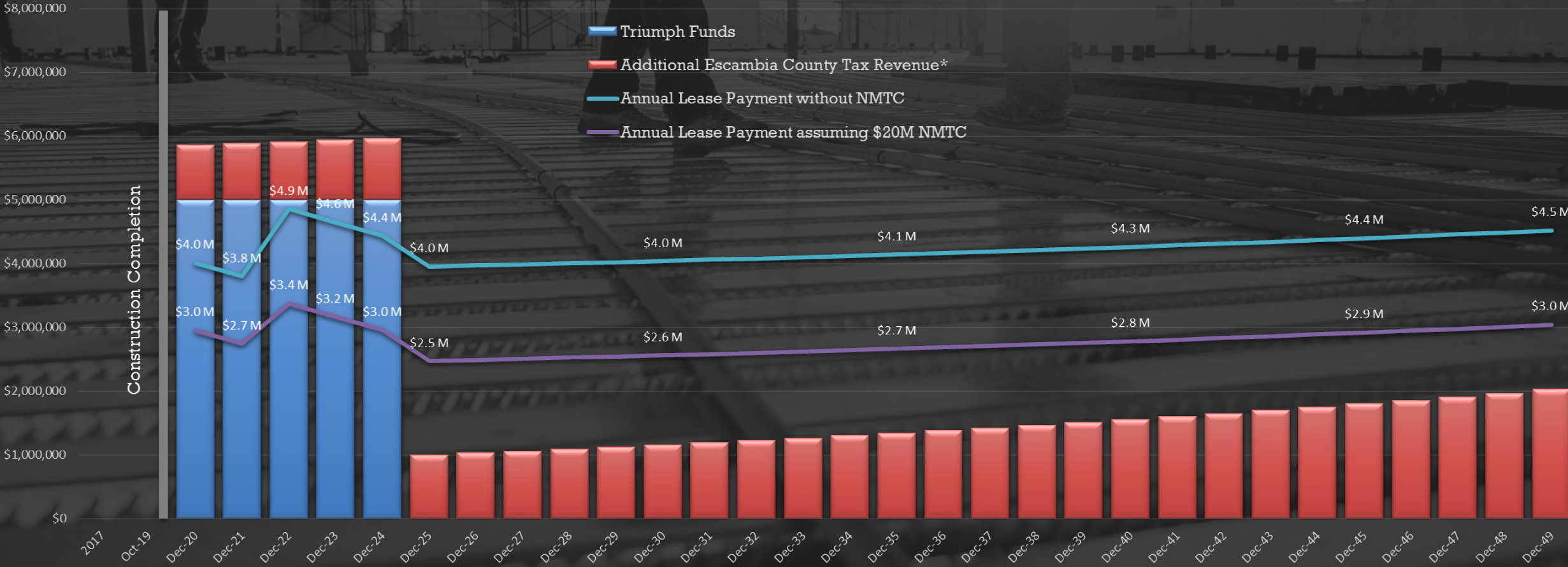
(FULLY AMORTIZING)



* Average of estimated economic impact ranges provided in *Crossroads Draft Study on Escambia County Community Recreation and Sports Tourism Needs*, Dated January 2016.
(Total Annual Economic Impact = Direct Annual Economic Impact + Indirect/Induced Annual Spending, inflated at 3% per annum)

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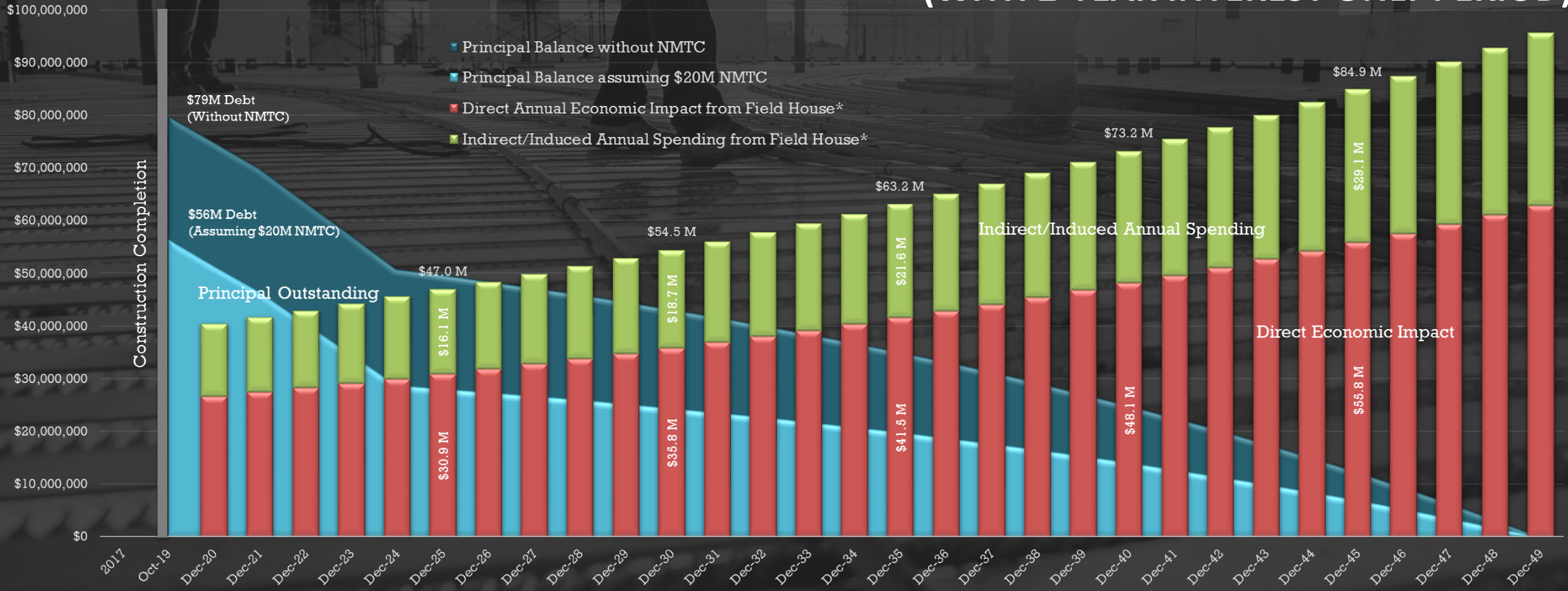
(WITH 2-YEAR INTEREST ONLY PERIOD)



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FINANCIAL CHART DISCLAIMERS

CHARTS ABOVE ARE SUBJECT TO THE FOLLOWING ASSUMPTIONS, QUALIFICATIONS & DISCLAIMERS

1. Figures are for discussion purposes only, based on \$65M of construction cost and 4.5% cost of debt. No figures, rates or time periods have been committed or confirmed at this point.
2. Charts assume a construction completion date of October 2019 and an initial lease payment from the County in January 2020. These time periods are subject to change as the program progresses.
3. We have not included any cost for land in these figures at this time.
4. We have included a lifecycle management reserve fund which is funded with \$200,000/yr. We propose that these funds be escrowed with the County to assure that they are available for needed upgrades and lifecycle replacement over time. We have also included an annual figure for preventative maintenance, which is part of the lease payment.
5. The anticipated operating loss on the arena and field house will be offset by a lease payment from a hotel and, as appropriate, future retail development. Any surplus funds received through this future development, after accounting for required project costs, will be shared with the County.
6. Annual figures relating to economic impact, tax revenue, lifecycle management and facilities maintenance are escalated at the inflation rate of 3% per year.
7. All graphs assume for illustration purposes the availability of \$25M of Triumph funds, spaced over 5 years starting in 2020. If available, it is anticipated that these funds would be used to prepay principal on the project. The application for Triumph funds has not yet been prepared or submitted by the County and we are not expressing an opinion on the appropriateness of such an application or on the likelihood of an allocation.
8. Certain scenarios indicate the impact of \$20M of New Market Tax Credits (NMTC's) to reduce the initial funding required on the project. We have not applied for NMTC's for this Project, nor do we have a definitive view on whether the project will qualify for them based on location of the site or projected economic development.
7. NOTE: No fiduciary or advisory relationship exists between the development team and the County. The developer has not independently verified the existence or amounts of existing or allocable county revenue sources. Developer is not an agent, municipal advisor or financial advisor to the County. Sources of County funds were identified in a report prepared by and presented to the DMO in 2016 and have been reproduced here for illustration purposes only. In connection with its evaluation of the proposal in the context of the Florida P3 Statutes, and as a matter of diligence, we recommend that the County engage the services of a qualified advisor to analyze the benefits of the Project to the County and to interact with Developer in advance of any financial close for the Project.

NEXT STEPS

FOLLOWING EXECUTION OF LOI BETWEEN COUNTY AND DEVELOPER

- Complete due diligence on potential sites.
- Select site and negotiate purchase/lease.
- Complete site plans and schematic design.
- Negotiate leases with key tenants.
- Complete market/feasibility studies. (e.g., 2nd Crossroads Study)
- Establish a guaranteed price and schedule for construction.
- Structure and secure financing package.
- Negotiate and structure final lease, hotel and property development agreements.
- Nominate public-private board to oversee project.
- Obtain required governmental approvals for project.