



MONROE EVENTS CENTER

M3A Architecture, PLLC

 **GARFIELD**
PUBLIC PRIVATE

INTERNATIONAL STADIA CONSULTANCY | O D E L L

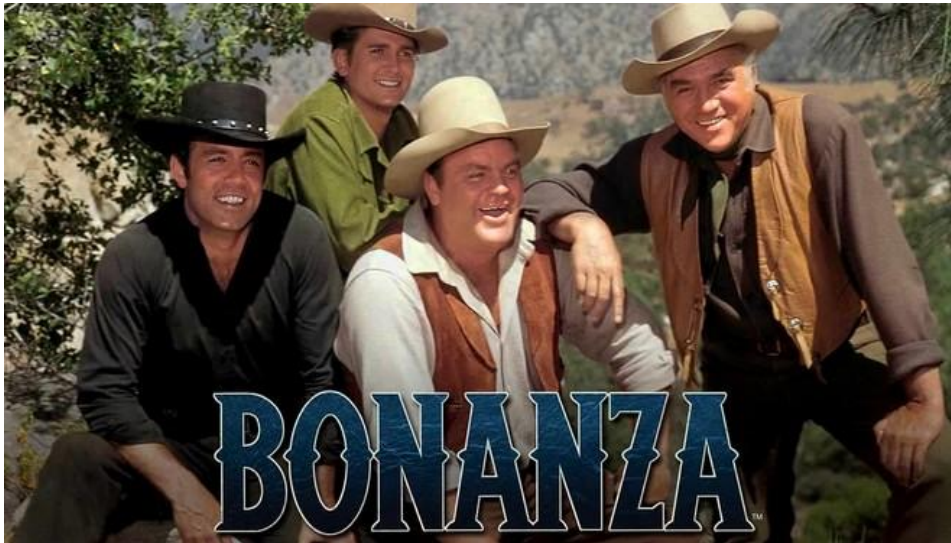


- Market Opportunity
- Venue Pro Forma
- Optimal Location
- Facility Program
- Design Concepts
- Projected Costs
- Funding Options
- Economic Impact

WHY NOT RENOVATE EXISTING CIVIC CENTER?



1965



- 55 Years Old
- Outdated
- 6,000-7,000 seats depending on event
- Costly to renovate and upgrade – but could be economically repurposed for exhibits and weekend tournaments
- Renovated Civic Center would not provide needed flexibility for future events
- Site is not conducive to new economic development



A NEW DEVELOPMENT OPPORTUNITY FOR MONROE



Over 100 annual events
More than 330,000 attendees
\$6.8 million in ticket sales

40+ Sports Events, including:

- College Basketball Tournaments
- NBA and G League Pre-Season
- Amateur Sports Tournaments
- MMA and Boxing
- Rodeo

20+ Family Shows, including:

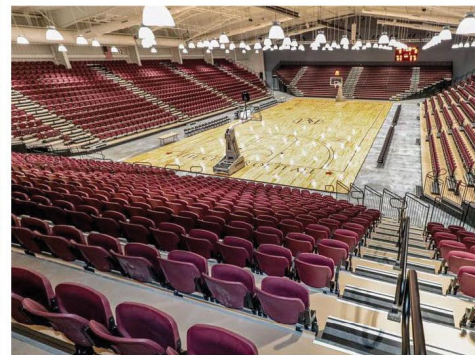
- Disney on Ice
- Motorsports
- Cirque
- Harlem Globetrotters

Cheerleading
Religious
Consumer Shows
Conventions

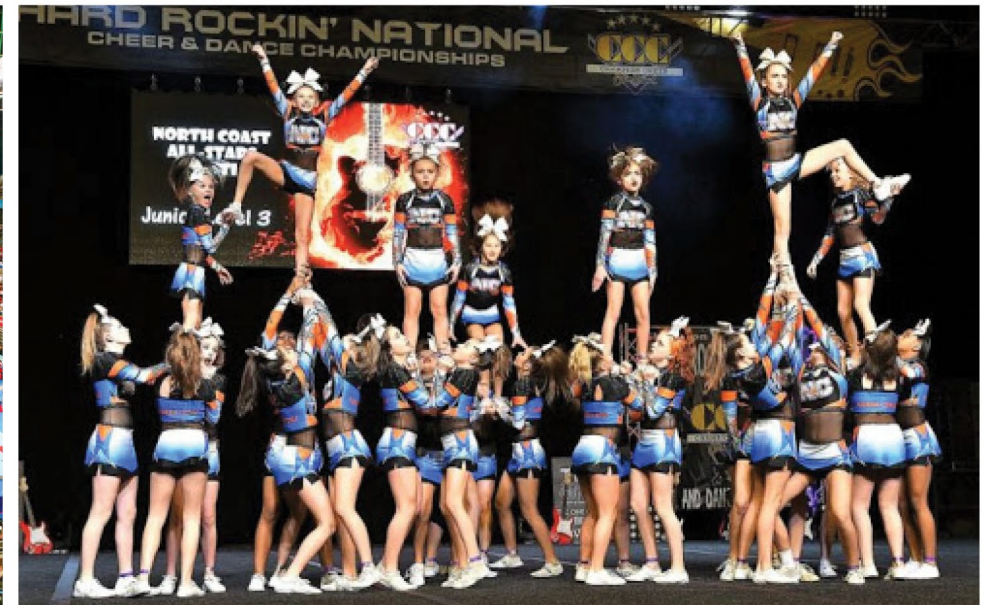
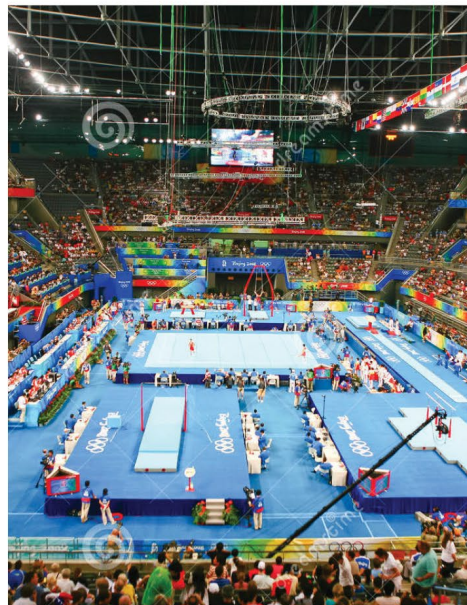
Market data and pro forma prepared by Oakview Group
Groups interviewed included:

- Live Nation
 - Premier Productions
- Feld Entertainment
 - Harlem Globetrotters
- UFC
- ULM President Bruno
 - ULM Athletics
- Monroe/West Monroe CVB

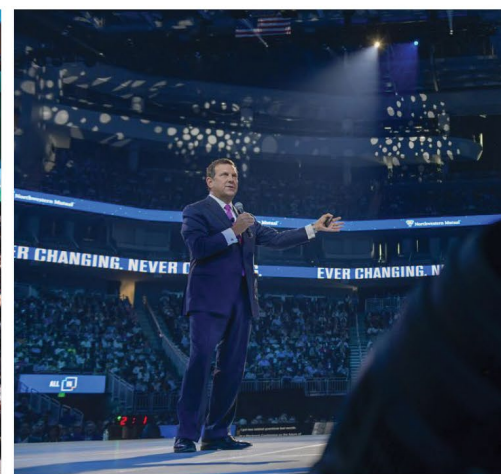
COMMUNITY NEEDS: MULTI-PURPOSE & FLEXIBLE EVENTS CENTER



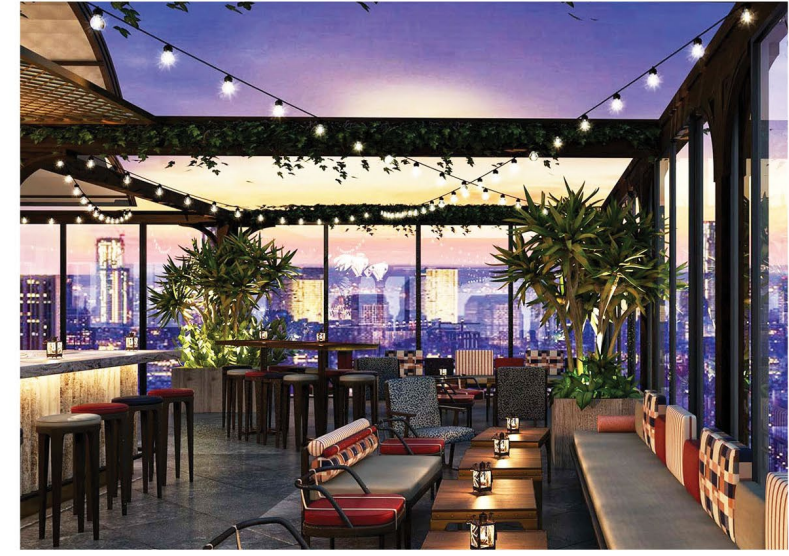
COMMUNITY NEEDS: SPACE FOR INDOOR AMATEUR SPORTS



COMMUNITY NEEDS: HIGH QUALITY SPACE FOR MEETINGS, CONVENTIONS



COMMUNITY NEEDS: HIGH QUALITY FULL-SERVICE HOTEL



PROPOSED EVENTS CENTER + HOTEL SITE PLAN



5 MINUTE WALK TO EXISTING PARKING

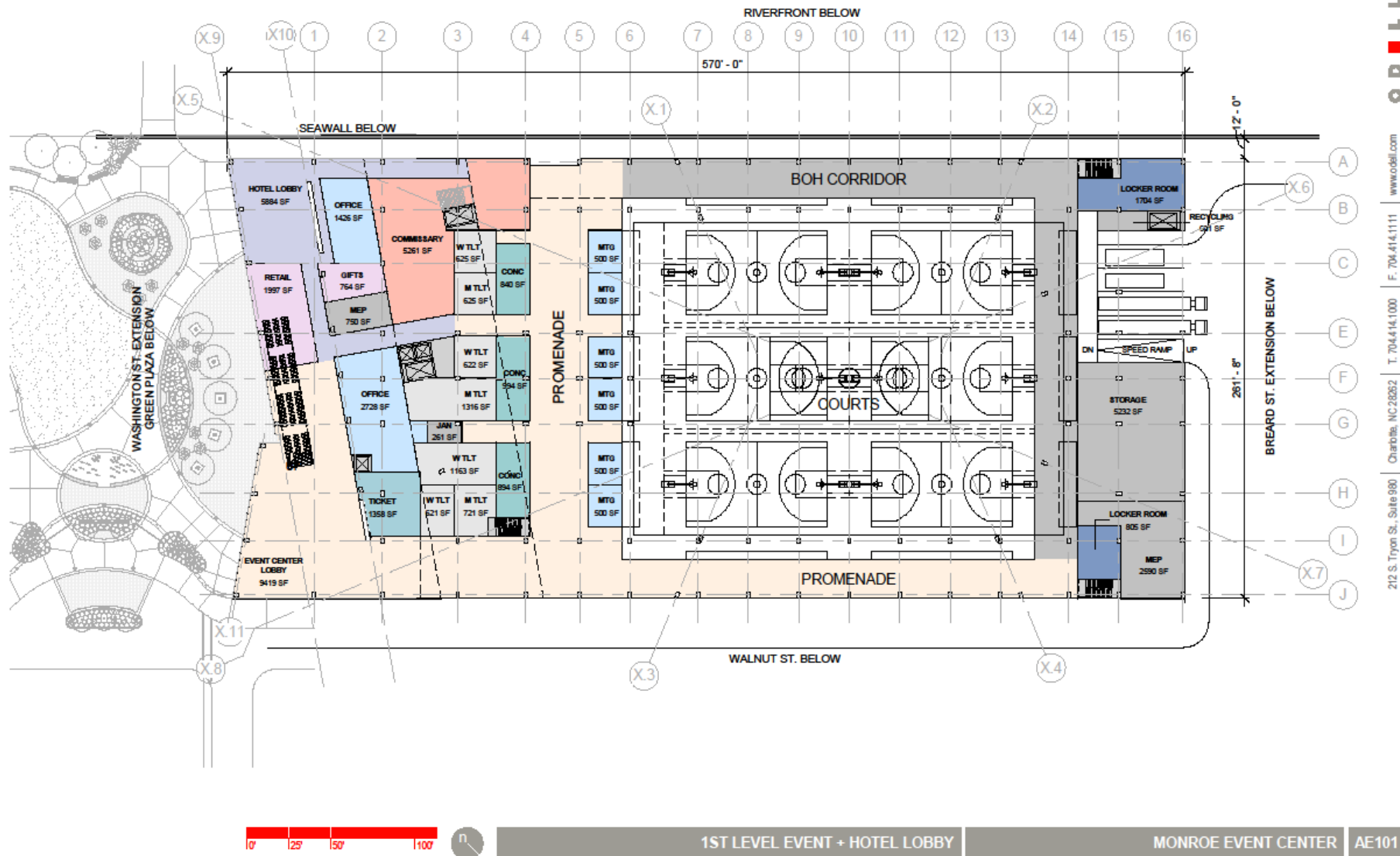


ESTIMATED 5 MINUTE WALK RADIUS
SAMPLE PARK AND WALK PATH = 6 MINUTES

2050± EXISTING PARKING SPACES WITHIN
ESTIMATED LIMITS OF PARK AND WALK

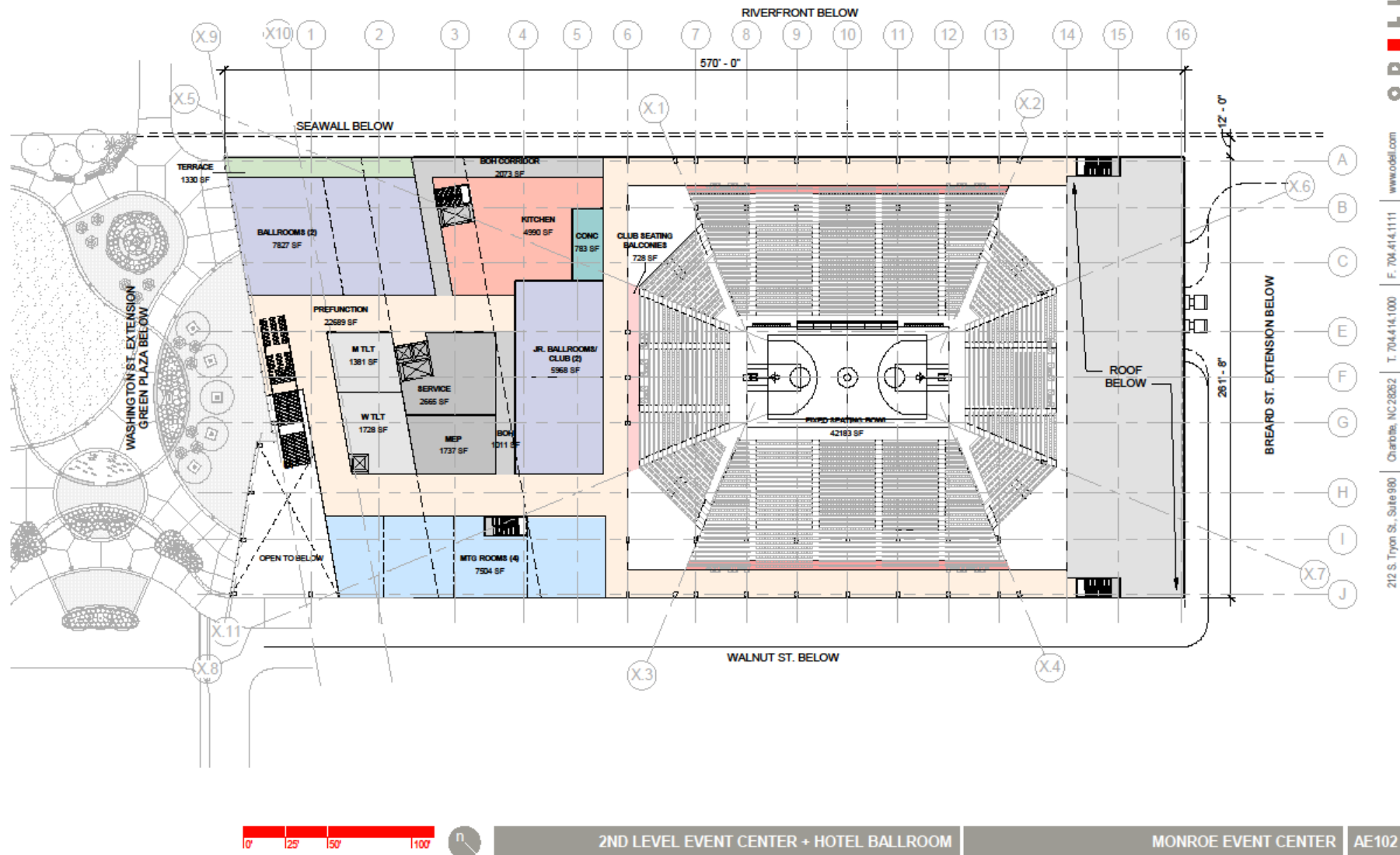
- Catalyst for Downtown and Riverfront Development
- 7,000 to 7,500 seats for Concerts, Sporting Events, etc.
- Flexible 50,000+ sf Main Event Floor Sized for 6 Basketball Courts or 12 Volleyball Courts for Tournaments
- Event Floor Large Enough for 300+ Exhibit Booths or Banquets for 2,500+ People
- 20,000+ sf of Ballroom and Meeting Room Space
- Restaurants and Retail Space
- Full-Service Hotel with 200+ Guest Rooms
- Separate Events Center and Hotel Lobbies
- Adjacent Dedicated Parking for Hotel and Conference Facilities
- Park Connection to River Walk

FIRST FLOOR PLAN - COMBINED EVENTS CENTER + HOTEL



212 S. Tryon St., Suite 980 | Charlotte, NC 28262 | T. 704.414.1000 | F. 704.414.1111 | www.odell.com

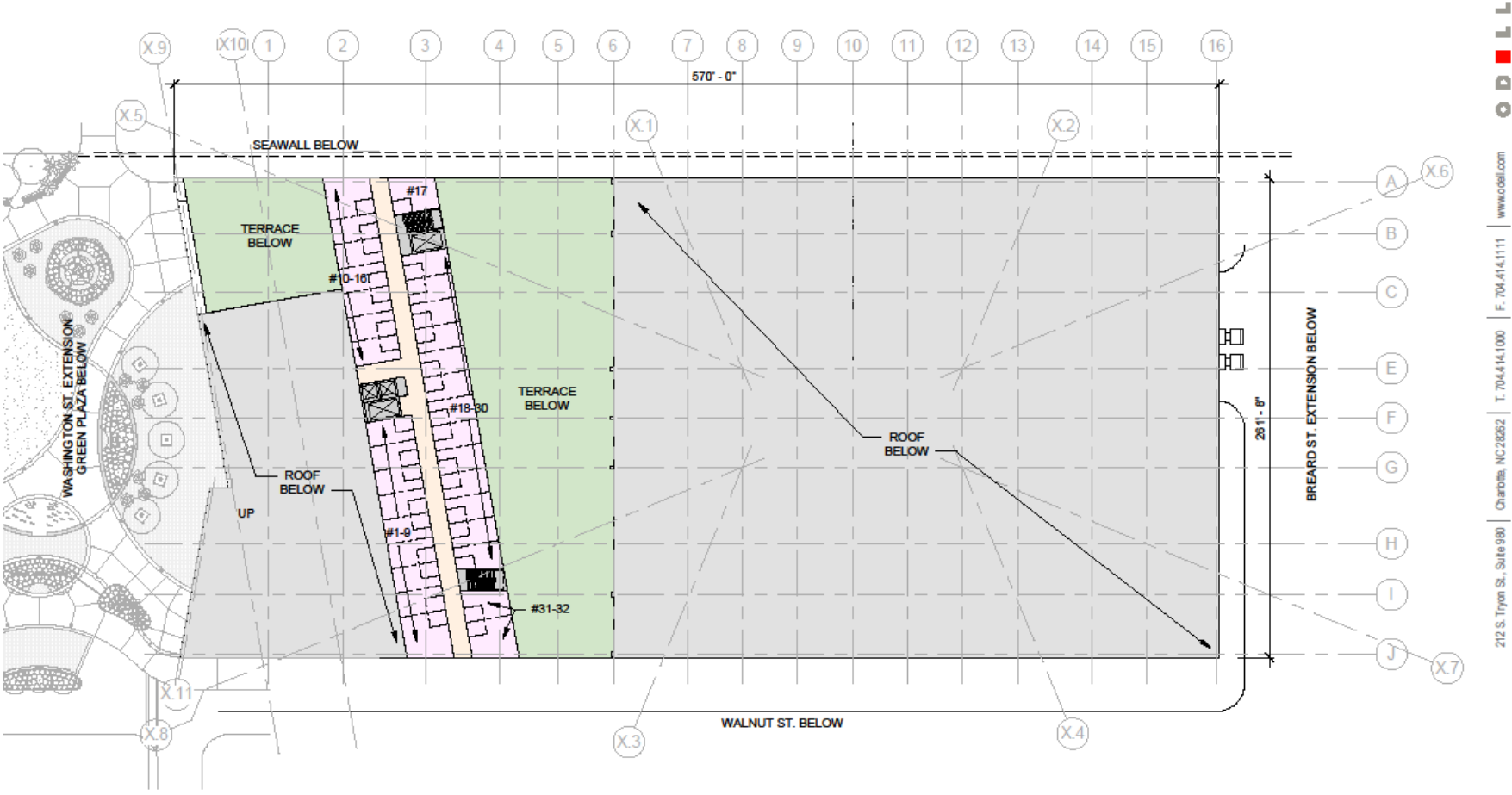
SECOND FLOOR PLAN - COMBINED EVENTS CENTER + HOTEL



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FOURTH FLOOR PLAN - COMBINED EVENTS CENTER + HOTEL



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ODELL

0' 25' 50' 100'



4TH-9TH LEVELS TYPICAL HOTEL

MONROE EVENT CENTER

AE104

3/3/2020

Monroe, Louisiana
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Initial Events Center Concept with Separate Hotel



Initial Events Center Concept with Separate Hotel



View from Riverwalk





Initial Events Center Concept

RENDERING – PROPOSED COMBINED EVENTS CENTER + HOTEL



PROJECT BENEFITS: QUALITY OF LIFE – COMMUNITY “LIVING ROOM”



PROJECT BENEFITS: DOWNTOWN CATALYST FOR FUTURE ECONOMIC DEVELOPMENT



PROJECT BENEFITS: POSITIVE ECONOMIC IMPACT FROM NEW BUSINESS



- FULL SERVICE HOTEL
- MEETINGS / CONFERENCES
- CONVENTIONS
- EXHIBITIONS / TRADE SHOWS
- BANQUETS
- MAJOR EVENTS
Sports, Concerts, Family Shows
- INDOOR AMATEUR SPORTS
Sports Tourism



EVENTS CENTER + HOTEL DEVELOPMENT BUDGET SUMMARY

Hard Costs	Hotel	Event Center	Total
Direct and Indirect Construction Costs	\$ 41,178,000	\$ 42,085,000	\$ 83,263,000
Contractor Contingency	\$ 1,997,000	\$ 1,963,000	\$ 3,960,000
Owner's (Project) Contingency	\$ 2,250,000	\$ 2,000,000	\$ 4,250,000
FF&E/OS&E/IT	\$ 8,724,000	\$ 4,795,000	\$ 13,519,000
Kitchen/Laundry Equipment	\$ 1,296,000	\$ -	\$ 1,296,000
Telescopic and Fixed Balcony Seats	\$ -	\$ 4,813,000	\$ 4,813,000
Signage	\$ 350,000	\$ 250,000	\$ 600,000
Subtotal Hard Costs	\$ 55,795,000	\$ 55,906,000	\$ 111,701,000
Soft Costs			
Site Acquisition	\$ -	\$ 4,000,000	\$ 4,000,000
Site Due Diligence / Market Studies	\$ 90,000	\$ 40,000	\$ 130,000
Architectural and Engineering Fees/Fee Contingency	\$ 3,784,000	\$ 5,250,000	\$ 9,034,000
Testing & Inspection / Fire Life Safety Commissioning	\$ 401,000	\$ 500,000	\$ 901,000
Hotel Brand Technical Services / Application Fees	\$ 337,000	\$ -	\$ 337,000
Pre-Opening	\$ 1,100,000	\$ 650,000	\$ 1,750,000
Legal Fees	\$ 265,000	\$ 275,000	\$ 540,000
Permit, Impact and Tap Fees	\$ 218,000	\$ 250,000	\$ 468,000
Development/Program Management Fees	\$ 2,592,000	\$ 2,725,000	\$ 5,317,000
On-Site Project Manager	\$ 345,000	\$ 325,000	\$ 670,000
Project-Specific Insurance	\$ 73,000	\$ 79,000	\$ 152,000
Subtotal Soft Costs	\$ 9,205,000	\$ 14,094,000	\$ 23,299,000
Total Development Budget*	\$ 65,000,000	\$ 70,000,000	\$ 135,000,000

Investment is needed from both the private and public (governmental) sectors for a viable deal

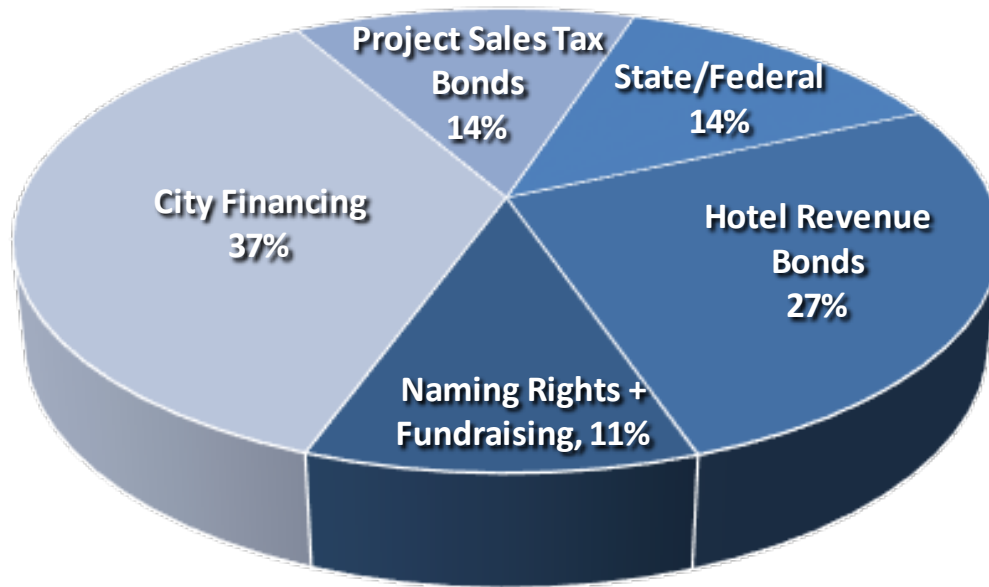
Private sector sources of funding:

- Tax-Exempt Hotel Revenue Bonds
- Naming rights (building title and other components)
- Fundraising/philanthropy

Public sector sources of funding:

- Federal/state incentives
- Project Sales Tax Bonds
- City bond financing

TARGET CAPITAL PLAN



SOURCE

SOURCE	AMOUNT
City Financing	\$ 50,000,000
Project Sales Tax Bonds	18,500,000
State/Federal	15,000,000
Hotel Revenue Bonds	36,500,000
Naming Rights + Fundraising	15,000,000
TOTAL	\$ 135,000,000

USE

Arena Development Costs	\$ 70,000,000
Hotel Development Costs	65,000,000
TOTAL	\$ 135,000,000

* Net of costs of issuance, construction interest, and reserves

The City's financial commitment to the Event Center will be offset by **substantial fiscal and economic impacts** in the Parish, as well as **spin-off investment and development** in the District, including:

- Job creation
- Increased tourism and citywide visitor spending
- Retail, restaurants and entertainment
- Increased sales and use tax revenue
- Event-related service providers
- Citywide lodging
- Transportation
- Reduced pressure on residential property taxes

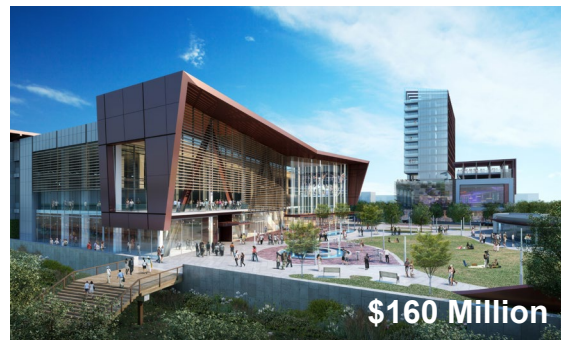
Following is a summary of the fiscal and economic impact analyses conducted for our team.



EVENTS CENTER + HOTEL DEVELOPMENT OPTIONS AND ASSOCIATED IMPACTS



Required Funding			Projected Economic Impact	Hotel Benefits to City
Public	Project	Private/Other	(30-year cumulative)	(30-year cumulative)
\$68M 72%	\$2M 2%	\$25M 26%	\$1.63 Billion in Economic Impact \$56M in City sales taxes \$5M in CVB hotel taxes 641 construction period jobs 507 annual jobs	ZERO in surplus hotel cash flow +ZERO projected hotel value



Required Funding			Projected Economic Impact	Hotel Benefits to City
Public	Project	Private/Other	(30-year cumulative)	(30-year cumulative)
\$75M 47%	\$18.5M 12%	\$66.5M 41%	\$2.04 Billion in Economic Impact \$95M in City sales taxes \$21M in CVB hotel taxes 982 construction period jobs 596 annual jobs	\$41M in surplus hotel cash flow \$90M+ hotel at end of financing



Required Funding			Projected Economic Impact	Hotel Benefits to City
Public	Project	Private/Other	(30-year cumulative)	(30-year cumulative)
\$50M 37%	\$18.5M 14%	\$66.5M 49%	\$2.02 Billion in Economic Impact \$95M in City sales taxes \$21M in CVB hotel taxes 829 construction period jobs 596 annual jobs	\$41M in surplus hotel cash flow \$90M+ hotel at end of financing

- Downtown Riverfront Location – Major Catalyst for Economic Redevelopment
- Over \$2.0 Billion Economic Impact over 30 Years Creating New Revenues for the City to Fund Future Community Needs with No Tax Increase
- Investment in the Future of Monroe with Significant Returns on Investment
- Major Hotel Cash Flow Back to City
- Boosts Declining City Sales Taxes with an Estimated \$116 Million in New City Sales Taxes and CVB Taxes over 30 Years
- Approximately 600 Permanent New Jobs
- Public + Private Funding Plan
- Enhances Quality of Life and Tourism

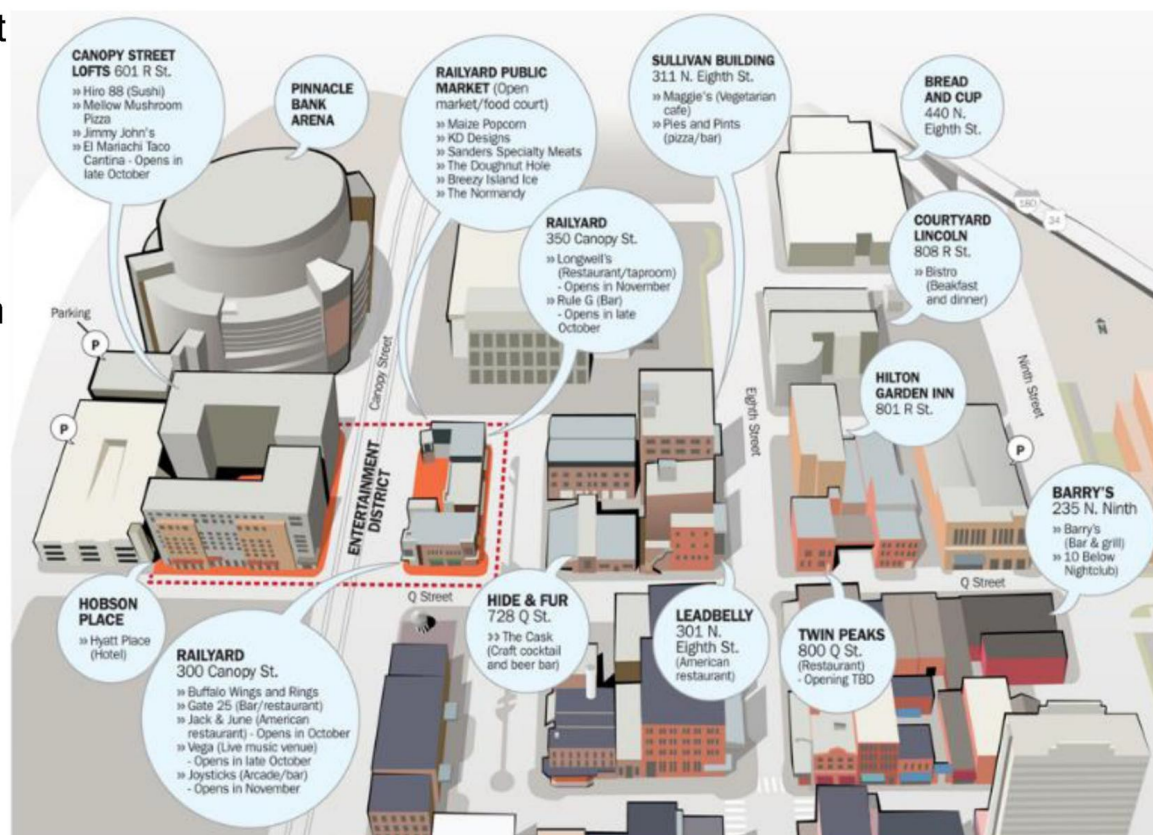
PPL CENTER - ALLENTOWN, PENNSYLVANIA - 2014

- \$191 million event center (includes 865 stall parking garage)
- Neighborhood Improvement Zone (tax increment financing) leveraged Allentown's public investment (\$191 million) into \$1.1 billion private follow-on investment (current and planned)
- Downtown employee count has increased from 12,000 in 2014 to 16,000 in 2018, and is projected to grow to 22,000 by 2022



PINNACLE BANK ARENA - LINCOLN, NEBRASKA - 2013

- \$179 million event center project + \$176 million adjacent public investment
- From 2006 to 2016 in greater downtown:
 - \$1.3 billion of total investment
 - \$555 million near arena
 - \$200 million private follow-on
- Since arena opened:
 - Annual property tax collection increased by more than \$19 million per year
 - # of Downtown residents increased by over 150%





Monroe Events Center + Hotel - Budget Options

	Events Center	Full-Service Hotel	Public Funding	Private Funding
Original Concept-1: 230,000 s.f. Events Center, 200-Key Hotel				
Originally programmed Events Center - 2-story arena and 3-story front-of-house with full "arena" capabilities. Includes expanding the event floor from 4 to 6 basketball courts.	\$120 Million		\$108 Million	\$12 Million
Separate freestanding full-service Hotel.		\$64 Million	\$25.6 Million	\$38.4 Million
Totals:			\$133.6 Million	\$50.4 Million
Updated Concept-3: 145,400 s.f. Events Center, 200-Key Hotel				
Reduced program for Events Center - 1 story arena and 2-story front-of-house. Event floor with 6 courts, but designed as "fieldhouse" with telescopic seats to "arena seating." Event Center shares all meeting and hospitality space, kitchen, loading docks, etc. with hotel, eliminating redundancy.	\$66.9 Million		\$54.9 Million	\$12 Million
Hotel attached above Events Center front-of-house space.		\$62 Million	\$24.8 Million	\$37.2 Million
Totals:			\$79.7 Million	\$49.2 Million

TOTAL ECONOMIC IMPACT	EVENTS CTR	HOTEL	COMBINED
(Cummulative - 1st ten years of operation)	(Victus)	(CBRE)	
Total Output (Construction + Operations)	\$453,755,386	\$100,830,640	\$554,586,026
City Tax Revenue (sales & property taxes)	\$13,920,884	\$16,300,000	\$30,220,884
CVB - Hotel Occupancy Tax Revenue	\$1,228,051	\$3,900,000	\$5,128,051
Employment	\$507	\$292	799

PRELIMINARY PROJECTION OF BENEFITS OF HOTEL TO CITY OF MONROE

- 35% to 40% of total development costs required in City contribution
- City credit enhancement (shortfall guarantee) on third lien tax-exempt hotel revenue bonds
- Shortfall guarantee is not a general obligation – can be subject to annual appropriation
- City's contribution is an investment rather than a subsidy to a private developer/owner
- Projected annual cash flow to City is **\$50 to \$60 million over 30 years***
- Projected residual value of Hotel to City in year 30 is **\$77 million****
- City can sell hotel to private sector once bonds are fully repaid, **OR**
- City can continue to own hotel and receive a projected **\$8mm/year in debt-free cash flow**

* Preliminary, subject to change. Based on projections for similar hotels of a similar size with similar operating projections currently being developed by Garfield Public/Private. To be verified in next phase of planning.

** Preliminary, subject to change. Based on projected NOI from 2017 market study. NOI escalated at 3%/yr. Figure assumes a 9.0% cap rate applied to year 30 NOI and 2% sales costs. To be verified in next phase of planning.

	ONE-TIME (CONSTRUCTION)	ANNUALLY (1st YEAR)
Direct Local Spending:	\$ 49,590,050	\$ 18,733,461
Total Local Economic Output:	\$ 81,351,000	\$ 32,485,000
Local Employment:	641	507
Local Wages:	\$ 28,415,000	\$ 13,700,000
City Sales Tax within Parish:	\$ 558,800 ¹	\$ 1,030,950
Hotel/Motel Tax (CVB):	NOT ESTIMATED	\$ 107,120

¹ Assumes taxes only on indirect and induced spending, as direct construction spending is assumed to be sales tax-exempt due to public ownership.

PROJECTED FISCAL/ECONOMIC IMPACT (30-Year Period)

	30-YEAR NPV¹	30-YEAR AGGREGATE
Direct Local Spending:	\$ 486,968,000	\$ 940,842,000
Total Local Economic Output:	\$ 839,991,000	\$ 1,626,839,000
Local Wages:	\$ 348,613,000	\$ 680,199,000
City Sales Tax within Parish:	\$ 24,722,000	\$ 49,607,000
Hotel/Motel Tax (CVB):	\$ 2,513,000	\$ 5,096,000

¹ Net Present Value of projected 30-year impacts, assuming annual inflation of 3% and discount rate of 4.5%.

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