



San Diego Convention Center

**Convention Center Expansion and Hotel
Projects**

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Convention
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July 6, 2009



Agenda

- I. Review new project assumptions
- II. Convention Center Expansion funding requirements
- III. Hotel financing analysis – private ownership
- IV. Hotel funding requirements – public ownership
- V. Total funding requirements
- VI. Potential revenue sources
- VII. Follow up discussion from June 15 presentation

Project Overview

Convention Center Expansion:

Gross square footage -	1,266,719 GSF
Building cost ⁽¹⁾ -	\$710.8 million
Pedestrian bridge cost ⁽¹⁾ -	41.9 million
Total Cost	752.7 million
Annual retail revenue est. ⁽²⁾ -	4.01 million
Construction begins -	January 2012

Hotel Project:

Rooms -	500
Meeting space -	37,900 sf
Stabilized year ⁽³⁾ -	2016 (Year 3)
Hotel opening -	2014
Building Cost ⁽¹⁾ -	\$164.7 million

- (1) Construction cost estimates provided by DavisLangdon.
(2) Retail revenue estimates provided by London Realty Group.
(3) Hotel operating pro-forma provided by PKF Consulting.

Convention Center Funding Requirements

Construction Cost Estimate (\$000)

	Convention Center	Pedestrian Bridges	Total
Construction Costs	\$ 560,792	\$ 33,104	\$ 593,896
Escalation	26,055	1,538	27,593
Design Fees and Bond	42,546	2,512	45,058
Owner Soft Costs		-	
including land	81,450	4,808	86,258
Total	\$ 710,843	\$ 41,962	\$ 752,805

Sources and Uses of Funds (\$000)

	Convention Center	Pedestrian Bridges	Total
Sources:			
Bond Proceeds	\$ 716,081	\$ 42,313	\$ 758,394
Interest Earnings	9,155	541	9,696
Total	\$ 725,236	\$ 42,854	\$ 768,090
Uses of Funds:			
Project Fund Deposit	710,844	42,000	752,844
Capitalized Interest	-	-	-
Other Reserve Funds	-	-	-
Costs of Issuance	14,392	854	15,246
Total	\$ 725,236	\$ 42,854	\$ 768,090

Annual Debt Service Cost ⁽¹⁾

\$57,010

Projected Annual Retail Revenues

(4,013)

Net Annual Funding Requirement

\$52,997

(1) Assumes pledged revenue sources and any additional support generate a A/A2 bond rating.

