

2013

**HOTEL AND CONFERENCE CENTER
PROPOSAL TO THE AMOCO REUSE
AGREEMENT JOINT POWERS BOARD**

Presented by Refined Properties, LLC on
behalf of

JJM Group Hotels

April 24, 2013

1. Introduction

JJM Group Hotels own and operate numerous hotels in Wyoming and California with more in the development process. JJM has been operating hotels for 13 years and Principal Narender Taneja has been a consultant on several hotel and business startup plans since 1995. Narender's diverse educational background includes Masters level degrees in Business Management, Finance, Marketing, and Administration Management.

Each JJM hotel is owned by a separate corporation and the management company is under an additional separate corporation. For purposes of this Project, separate corporations would be created, one each for the Hotel operations and Conference Center operations. The attached JJM presentation provides details about the JJM Group and their operations.

2. SITE

The site sits on 17 acres in the Opportunity Area of the Platte River Commons. The section of the Opportunity Area we have chosen offers maximum usability for the Hotel and Conference Center while also maximizing the remaining space on the site for ancillary projects. The site is essentially placed over the widest section of the property, leaving approximately six acres remaining to the south and approximately 3 acres remaining to the east. Once the Project is approved and ground is broken, we believe that the value of these remaining nine acres will increase and allow us to ask a higher per square foot price on the property. The initiation of this Project will also greatly increase the marketability of the Business Park area to the southeast.

Additionally, coupled with the numerous amenities adjacent to the PRC, we believe that by placing the Conference Center at the edge of the Downtown/Old Yellowstone District boundaries will infill business in the OYD area and further the transitional development the City has planned for the Downtown as a whole.

This Project will not only be a great asset for the PRC, but the City of Casper and Natrona County as a whole.

3. PROJECT CHALLENGES

We believe many of the challenges to build on this site have already been addressed by BP and the Amoco Reuse Agreement Joint Powers Board. Hotel use is a permitted use and in fact, the area was designed to host a civic center or auditorium. Refined Properties will secure all of the appropriate permissions from BP per the lease agreements and will be an active partner throughout the entire process to help manage the development as a whole.

A large increase in traffic is anticipated at the intersection of Poplar and King Boulevard/Midwest Avenue. The proposed stop light at that intersection as well as the proposed right in – right out off of the West Yellowstone Highway connection to Poplar Street will be a great addition for the flow of traffic in and out of the PRC. Traffic control at the Collins and King Boulevard intersection, as well as at the

entrance to the Conference Center, are also being contemplated in an effort to keep cars and pedestrians moving as safely and efficiently as possible.

Other challenges which we look to face head on will be marketing and soliciting these amenities nationally to groups and corporations looking to hold their conferences and meetings in the City of Casper in addition to supporting the local and regional markets. We are looking forward to taking on this challenge by providing prospective clients with top rated facilities and hotel accommodations, coupled with the convenience of the adjacent championship golf course, community and Platte River Parkways, and centralized location to all of the amenities that Casper has to offer. We believe this to be an ideal location for all to enjoy their conferences, meetings, celebrations, events, weddings and the various other corporate and social gatherings to ensue.

4. DEVELOPER GOALS

The primary goal of this Project is to provide the City of Casper with a much needed large capacity Conference Center and couple it with the class of an onsite Luxury Hotel. The envisioned Conference Center would accommodate large conferences with 1,500 or more people.

Additional goals of Refined Properties include its commitment to the ARAJPB to develop both the Platte River Commons and the Salt Creek Heights Business Center. Not only does this project place a great community asset on the Platte River Commons but it also makes the remaining property much more marketable. There is also a great opportunity for the Three Crowns Golf Club to increase its revenue by being able to partner with a top tier facility virtually on site.

One final goal of Refined Properties is to further the redevelopment of the Old Yellowstone District and Downtown Casper areas. This facility will help drive growth through the Old Yellowstone District and into the Downtown Core by providing a great bookend for Downtown Casper.

5. AREA SERVICES

This Conference Center and Luxury Hotel will meet the needs of virtually any prospective user with the onsite amenities. On top of the rooms furnished by the new Luxury Hotel, there are several other hotels providing 750 plus rooms within 2.5 miles to be complimented by this Project. For large size conferences and events, it is essential that these additional rooms are available near and around the Conference Center.

The location of the site provides walking distance access to a number of other services in the Downtown Casper and Old Yellowstone District areas. On top of the Robert Trent Jones II championship golf course right across the street, the Platte River Parkway provides walking distance access to several local restaurants including The Grille at Three Crowns and the Tate Pump House. The Platte River Parkway also provides easy access to walk into the heart of Downtown Casper less than 1 mile away. Within this area are 4 separate movie theaters, numerous restaurants, bars, banks and downtown shopping. For days when walking is not an option, there is easy access to all major roads which service the Casper area. Additionally, shuttle services will be available to and from the Casper International Airport, other hotels throughout the city, shopping, sightseeing, Hogadon Ski Area, the Casper Events Center and various other attractions.

Its close proximity to the Old Yellowstone District is another unmatched advantage with its bevy of restaurants, movie theaters, and continued transformation from an industrial area to a Live Work Play area as the City envisions. We believe the installation of a natural gas “trolley” which services the downtown, OYD and Conference Center sites exclusively on a consistent schedule would be a fantastic asset to the community and would boost traffic both into downtown and the OYD

The close proximity to all of these amenities make this location easy to access from anywhere in the City, all within minutes.

6. CONFERENCE CENTER AND LUXURY HOTEL SPECIFICS

Plans for the Conference Center are to build an approximately 48,000 square foot facility. The Attached Conceptual Plan shows the full 48,000 square foot building footprint with the additional 25,000 square foot expansion concept. The Center would include several Ball Rooms and Meeting Rooms in a flexible and expandable design highlighted by high end finishes and state of the art lighting and audio/video technology. Additionally, the expansion area provides for the potential of a large hall for exhibitions and trade shows. Additional amenities would include an onsite Business Center, pre-function gathering area with a bar, restrooms, administrative rooms and Board Rooms and a kitchen on site which would be designed to handle 100% of the Hotel and Center’s capacity.

A 125,000sf – four story – 200 room Luxury Hotel will be attached to the Conference Center. In addition to high end room design, additional hotel amenities include a higher end restaurant and lounge with outdoor area, a large fitness center with modern equipment, an indoor swimming pool, Luxury spa and services including massage, sauna, and beauty salon, and a Business Center free for all guests. Since the Hotel and Conference Center would back to the North Platte River, a scenic patio and walking area will be incorporated for use by all patrons. Additionally, we have spoken to Three Crowns Golf Club and would be working with them directly to create stay and play packages for both Hotel guests and conference attendees.

7. MANAGEMENT TEAM

JJM Group Hotels

Narender Taneja-Owner/Developer

Anshul Taneja – Managing Director of Development

Refined Properties, LLC

Mick McMurry, Dick Bratton, Jeff Bishop, Richie Bratton-Owners

8. FINANCING

City of Casper Participation

The City of Casper, in general terms, has offered support to purchase the land lease from the ARAJPB – 17 Acres @ \$3.50psf = \$2,591,820.00; in a onetime upfront payment. The City would then lease the 17 acres to the JJM Group for 25 years at a rate of 2% with two additional 25 year options available.

Amoco Reuse Agreement Joint Powers Board Participation

The ARAJPB would receive payment of \$2,591,820.00 from the City of Casper for the lease of 17 acres on the Opportunity Area.

The ARAJPB is then asked to loan \$6,000,000.00, with the option of extending up to \$8,000,000.00, to JJM Group for construction of the Conference Center. The Loan will be for 25 years at an interest rate of 2%; returning a payment of \$307,000.00 per year with a balloon payment option at the end of ten years.

Additionally, the ARAJPB would be the participating public entity for a Grant of \$5,000,000.00 from the State of Wyoming / Wyoming Business Council to be used for infrastructure costs on the entire site.

JJM Group Participation

JJM Group will secure private financing for the 200 room hotel to cost \$23,000,000.00 using the land as well as the subordinate ARAJPB loan as collateral for their financing.

In the event that JJM Group is unable to perform their obligations, the right will be reserved for a related party to buy out JJM's obligations to continue the project. The Hotel brand involved will likely also require proof of financial security prior to signing off on the Project.

Donor Rights

In addition to the funding sources above, we believe there is an opportunity for Donor Rights to be involved with the Project. Opportunities for recognition are available on the Marquis, Conference Center, Ball Room and Lobby, in addition to the numerous other meeting and gathering rooms to be constructed, and parties have already expressed a level of interest in participation. We would ask both the City and the ARAJPB to help drive this effort as well. It is our belief that at least \$2million could be raised by these efforts. Any monies raised beyond the needed costs of construction will be added to upgrading features to the Conference Center and surrounding areas.

FINANCIAL SUMMARY

COST		\$\$\$ Source	
Hotel		City*	\$ 2,591,820
5Ac	\$ 762,300	ARAJPB*	\$ 6,000,000
200rooms	<u>\$23,000,000</u>	WBC	\$ 5,000,000
	\$23,762,300	JJM	\$23,000,000
Center		Donor Rights	<u>\$ 1,600,000</u>
12Ac	\$ 1,829,520		
48K sf	\$ 9,600,000		
FFE	<u>\$ 3,000,000</u>		
	\$14,429,520		
TOTAL	\$38,191,820	TOTAL	\$38,191,820

*To be paid back by JJM with 2% interest

9. CLOSING STATEMENT AND TIMELINE

We feel the City of Casper has been missing out on a great economic opportunity due to the lack of conference space in the area and this proposal solves those issues without local public dollars granted for the project. Large conferences can bring in as many as 2,000 people for multi day events and many of these people will stay a day or two on each side of the event for convenience. The buildings that we have proposed pose a great opportunity for the City of Casper and the Amoco Reuse Agreement Joint Powers Board to cash in on some of these large conferences as well as provide local and regional communities, businesses, associations, etc. a great facility to host their meetings and events all while being able to enjoy all of the amenities of the onsite Luxury Hotel, adjacent Three Crowns Golf Club, Platte River Parkway, and restaurants, and be within minutes, walking or riding, to all of the other amenities that Downtown Casper and the Casper area as a whole have to offer. We believe that placing a Conference Center and Luxury Hotel on the Platte River Commons is a hole-in-one for the ARAJPB, the City, the economy and the community.

We can't afford to sit on the sidelines anymore. Once approved, we are ready to begin planning immediately.



20 highway 20

north platte river

hotel

future expansion

conference center

north platte river

king blvd.

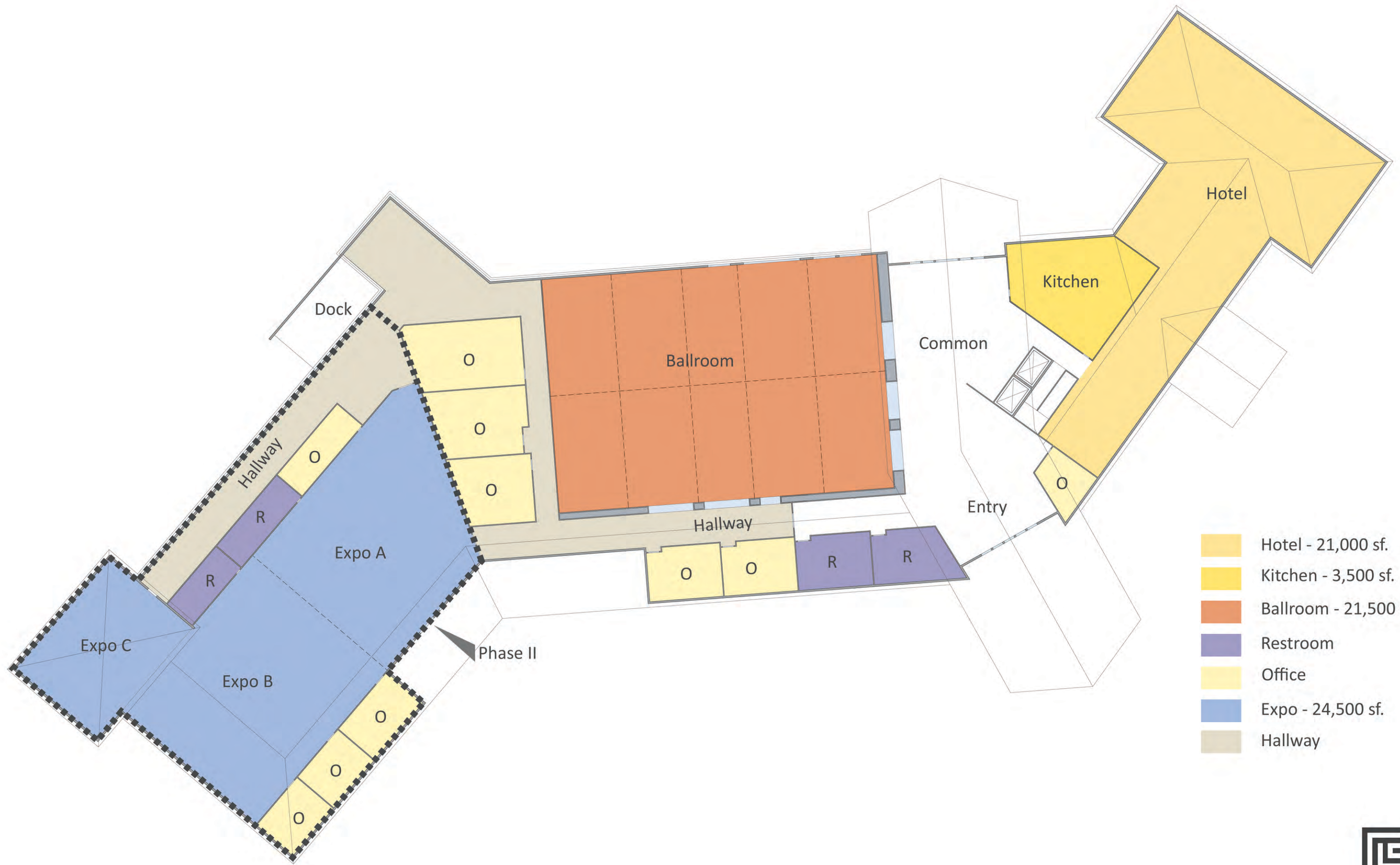
artist rendering for demonstration purposes

casper conference center

april 2011

1" / 100'





- Hotel - 21,000 sf.
- Kitchen - 3,500 sf.
- Ballroom - 21,500 sf.
- Restroom
- Office
- Expo - 24,500 sf.
- Hallway

PLATTE RIVE COMMONS LAND INVENTORY

Current Inventory

Business Park

5 Acres 217,800 sq ft \$ 6.50psf \$ 1,415,700.00

Opportunity Area

26 Acres 1,132,560 sq ft \$ 3.50psf \$ 3,963,960.00

H/CC Lease to City

17 Acres 740,520 sq ft \$ 3.50psf **\$ 2,591,820.00**

\$ 1,372,140.00 Remaining Value

Estimated Inventory after Conference Center

Business Park

5 Acres 217,800 sq ft \$ 6.50psf \$ 1,415,700.00

Opportunity Area

9 Acres 392,040 sq ft *Est new \$psf*

\$ 6.50psf \$ 2,548,260.00 **Est. New Value**

\$ 1,176,120.00 **186%Value Increase**