



OMNI  HOTELS
& RESORTS



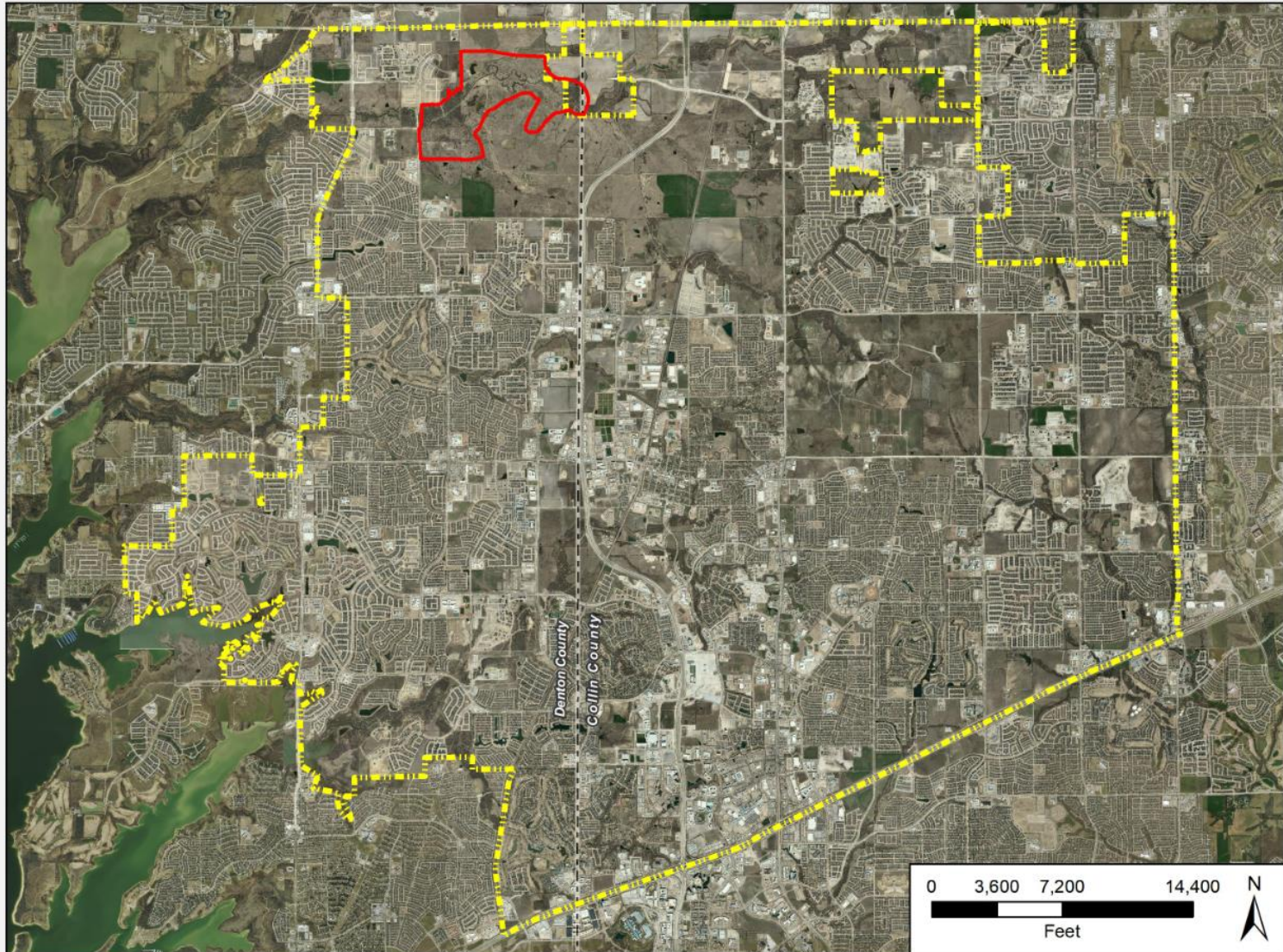
**Master Development Agreement
for
PGA Headquarters, Omni Hotel &
Convention Center, and Public Golf
Course Facilities**



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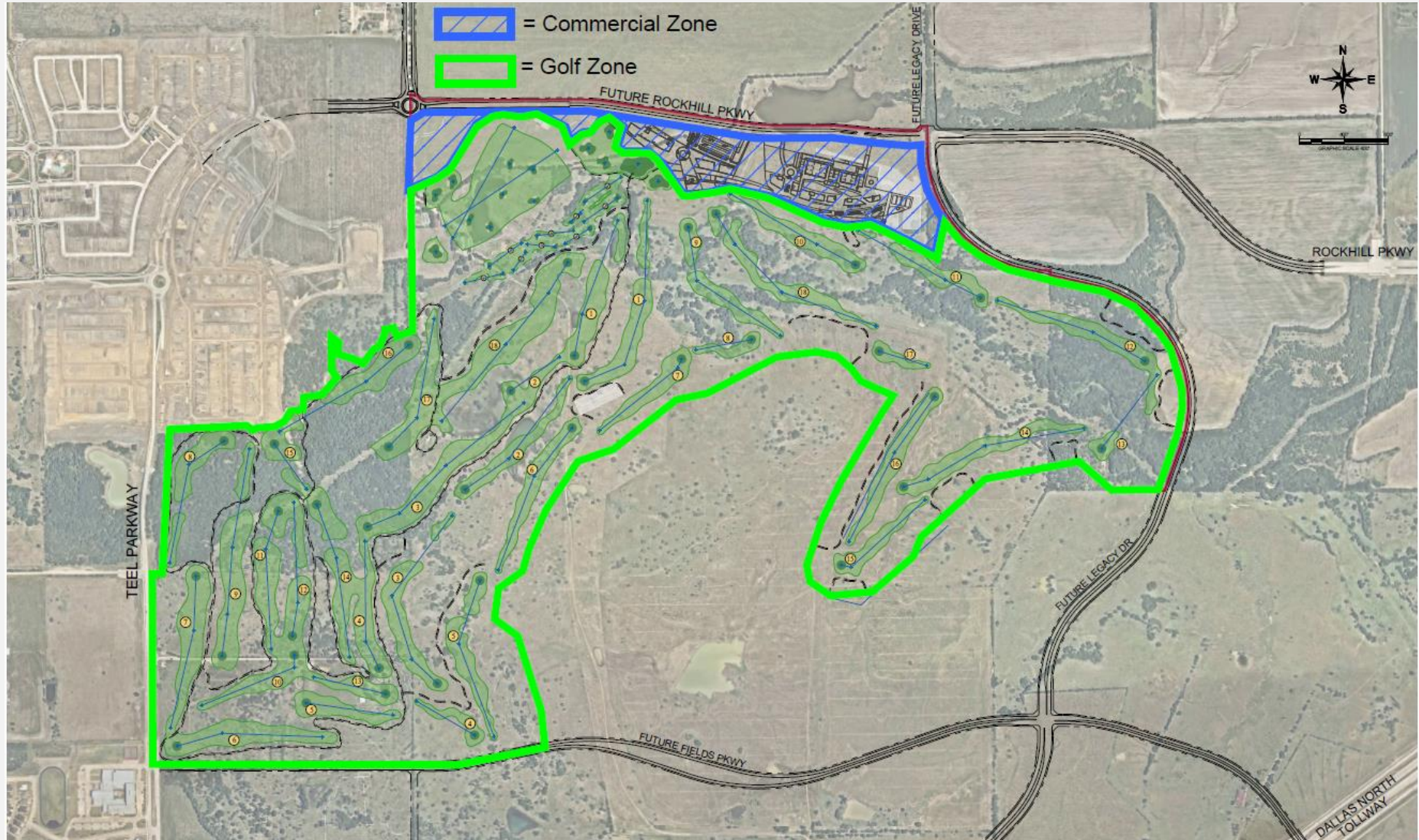


Subject Property



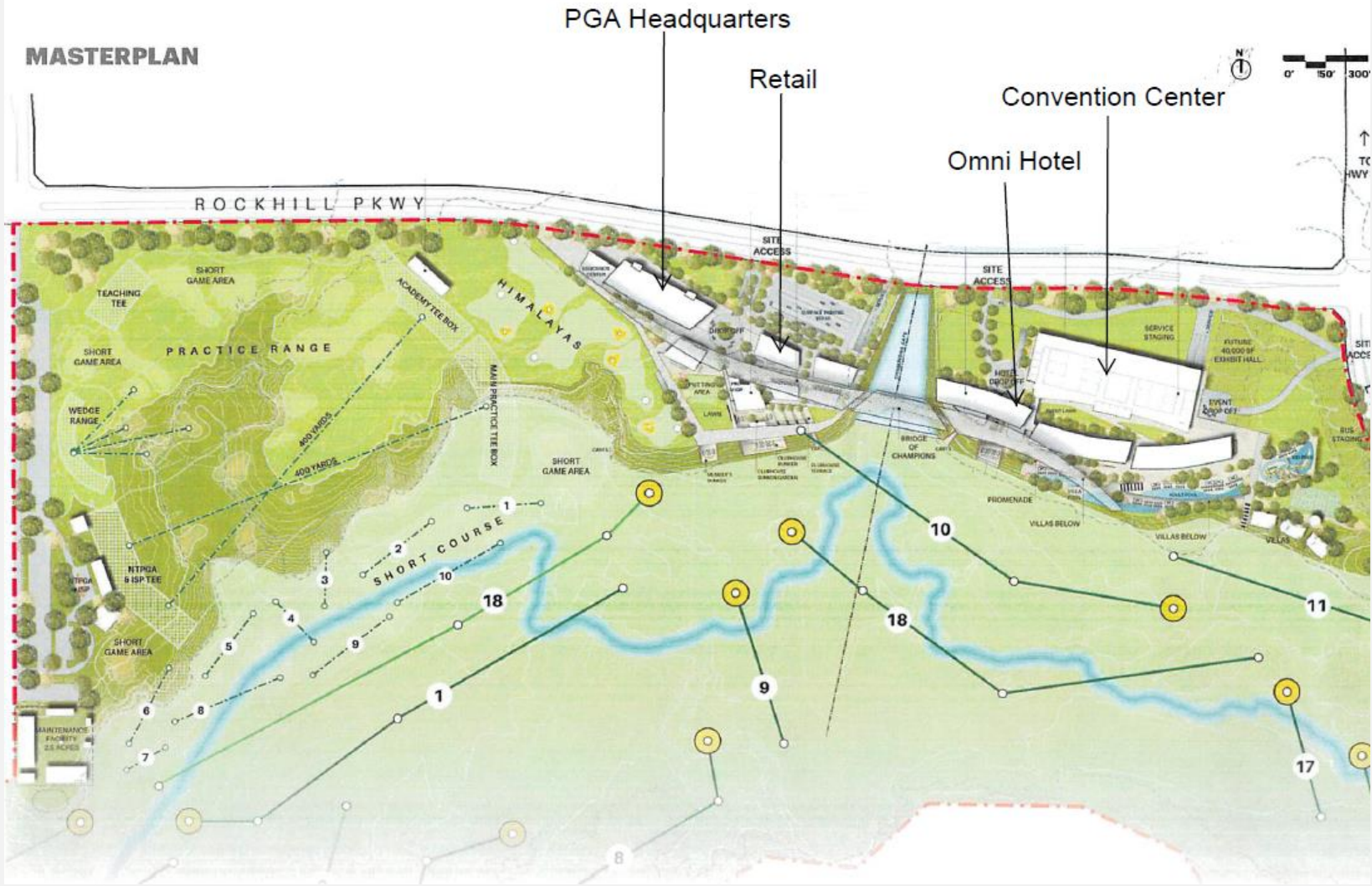


Subject Property





Subject Property





Project Details

- PGA to relocate Global Headquarters and Education Facility to Frisco along with an initial 100 employees, growing to 250 employees
- PGA to host multiple Championship Events to include the PGA Championship, Women's PGA Championship, and Senior PGA Championship at the Facility as well as a Ryder Cup in the future
- Two public golf courses including Championship 18-Hole Course, a Recreational 18-Hole Course and an Executive 9-Hole Course, practice areas, totaling 45 holes with a 35,000 square foot clubhouse – all to be owned by City; Operational responsibility and cost borne by OSW
- 500 room Omni Hotel and 127,000 square foot conference center
- Initial public / private public facilities investment - \$520 million
 - OSW to invest \$455 million
 - PGA to invest \$30 million
 - Public partners to invest \$35 million



Project Details

Golf Courses:

Start - Sept 2019

Finish - June 2022

Resort / Conference Center:

Start - Jan 2020

Finish - June 2022

PGA HQ, Clubhouse:

Start - July 2020

Finish - June 2022



Public Investment

<u>Agency</u>	<u>Amount</u>	<u>Source</u>
• City of Frisco	\$13.33 M	TIRZ #1
• Frisco CDC	\$13.33 M	CDC Funds
• Frisco ISD	\$5.84 M	TIRZ #1
• <u>Frisco EDC</u>	<u>\$2.5 M</u>	<u>EDC Funds</u>
Maximum Public Facility Investment	\$35 M	

Frisco EDC Performance Agreement

• Headquarters & Education Center Relocation Grant	\$4.4 M
• Headquarters & Education Center Job Creation Grant	\$5 M
• <u>Tournament Incentives</u>	<u>\$4.95 M</u>
Total	\$14.35 M

* No increase in Property or Sales Tax Rates for City, FCDC, FEDC or Fisd to provide this funding is projected. The existing sales tax stream and the TIRZ will be utilized.

** Any and all construction cost overages on the Public Facilities, Hotel & Convention Center, or the PGA headquarters building are the responsibility of OSW and PGA



Performance Incentives

State of Texas Performance Incentive

- State Sales Tax Grant 100% Years 1-10
- H.O.T. Grant 100% Years 1-10

Estimated Value \$62.5 M

City of Frisco Performance Incentive

- Sales Tax Grant 100% Years 1-10, 50% Years 11-20
- Property Tax Grant 75% Years 1-10, 50% Years 11-20
- H.O.T. Grant 100% Years 1-10, 70% Years 11-15

Estimated Value \$56 M - \$74 M



Public Use

Public Use – public have access to 65% of annual available rounds

- Frisco Resident Discount:
 - 50% Monday to Thursday, 25% Friday to Sunday within 48 hour booking window
 - 20% Monday to Thursday, 10% Friday to Sunday outside of 48 hour booking window

FISD Use (September – April)

- Access to practice facilities including driving range and short game areas
- 80 students per day, Monday to Thursday
- Minimum 3 tee times per day, Monday to Thursday
- FISD pays no fees or annual operating expenses for practice facility, FISD will pay a discounted student rate for tee times.
- District Golf Tournaments, Frisco Cup, Conference Center Usage
- CTE Opportunities & Internships
 - Sports Management, Sports Broadcasting, Business Management, Culinary, Marketing, Landscape Architecture, Graphic Design, Hotel & Restaurant Management, Culinary



Benefits to City & FISD

- 20 Year Direct Economic Impact to Frisco for PGA Tournaments and the PGA Training & Education Facility is estimated to be \$342 million
- 20 Year Direct Economic Impact to Frisco for Omni Hotel and Convention Center is estimated to be \$2.2 billion
- FISD student use of Public Facilities plus CTE \ internship opportunities
- Signature development to anchor north Frisco
- Utilization of 400 acres of floodplain
- Add to the portfolio of professional sports headquarters located in Frisco
- City will see increased events and tourism leading to additional hotel room nights, restaurant patronage, and increased retail sales