Exhibit 2
Public versus Private Ownership/Development Comparison

	Privately Owned & Financed	**Publicly Owned & Financed**
Program	Driven by site size, height limitations, etc.	Same
Ownership	Owned/leased by private Hotel Owner	Owned by City, once debt repaid City can sell or continue to operate hotel
Governance	By private Hotel Owner	By public body, with a Bond Holder representative participation
Sources of Capital	Typically, 50-60% third-party debt and 40-50% equity	100% bond debt, typically 30-35-year repayment. Some municipalities “credit enhance” bonds, but others do not. Miami Beach would not
Development Risk	Third-party developer assumes all project delivery risk	Same
Land	Transferred to Hotel Owner or leased for 99 years	City retains ownership
Payment to City	Typically, a land lease payment the greater of a fixed amount and a percent of gross revenue (target 4%).	Can structure a similar payment to the City, with amounts paid to City after annual debt service
Risk of Operating Loss/debt service shortfalls	Risk on private Owner	Risk on bond holders
Hotel Profits	Retained by private owner in perpetuity	Escrowed to repay bonds early, thereafter profits to City
Referendum	Land conveyed or leased over 10 years requires 60% voter approval	No referendum required. Charter Section 1.03(f) requires 4/7 Planning Board and 6/7 City Commission
Hotel Manager	Convention hotels are typically brand managed, but can be managed by qualified third parties	Same
Hotel Brand	Can be any convention hotel brand	Same
Room Block Agreement	Hotel contractually obligated to provide rooms to convention center events	Same