



**One World Trade Center**  
**Proposed Observation Deck Lease With**  
**Legends Hospitality, LLC**

**March 20, 2013**



**THE PORT AUTHORITY OF NY & NJ**

# Overview

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**The Port Authority recommends Legends Hospitality, LLC as the operator to develop and manage the Observation Deck at One World Trade Center.**

- Legends offers an attractive combination of:
  - Experienced and well-capitalized partner
  - Exciting design concept
  - Compelling financial proposal
- The project provides significant private capital for the WTC site without any additional Port Authority investment.
- The revenue is projected to be \$875 million over the term of the 15-year lease.
- The project validates PA's plan to continue to attract private capital to WTC and recoup the PA's substantial investment in WTC rebuilding.
- This creates a spectacular destination atop the iconic structure for 3.8 million projected annual visitors.



*The Observation Deck atop One World Trade Center*

# Background

## Legends' selection caps a rigorous competition with six teams of proposers as part of a year-long RFP process.

- Objective has been to select a best-in-class partner to:
  - Develop and operate a world premier observation deck
  - Maximize revenue to One WTC
  - Create a world-class attraction
- RFP team and constructability teams performed extensive due diligence on the proposals:
  - PA (WTCR, WTCC, Procurement, Law and Engineering)
  - The Durst Organization
  - AECOM entertainment group

Key Milestones	Date
RFQ Responses Received	Feb 2012
RFP Proposals Received	May 2012
Presentations and Diligence	Jun - Aug 2012
Short List Determined	Sept 2012
Best and Final Offers	Oct 2012
Final Diligence and Review	Oct - Nov 2012
Lease Negotiations and Projected Execution	Dec 2012 - Apr 2013

# Legends' Overview

**Legends is a premier company in sports and entertainment and is renowned for delivering a variety of services at world-class venues across the nation.**



## Company and Team

- Provides broad range of services to major sports and entertainment facilities and organizations.
  - Expertise in customer management (food and beverage, retail, and tours), sales and sponsorships
  - Wide range of world-class venues includes Yankee Stadium and Cowboys Stadium
  - Welcomes millions of customers annually
- Legends' world-class team includes:
  - The Hetteema Group (attraction / show design)
  - Montroy Andersen DeMarco (architect)
  - JRM (construction management)



*Brands & stadiums for New York Yankees and Dallas Cowboys*



# Observation Deck Overview

**Visitors to *One World Observatory* will experience unparalleled views from above 1,250 feet – the highest vantage point in New York City.**



- Entrance through two separate lobbies on ground and concourse levels
- Dramatic double-height spaces on floors 100 - 102
- Five dedicated elevators will ascend to the top in approx. 60 seconds – among the world's fastest
- Projected opening in early 2015

# Design Overview

Legends' design offers a state-of-the-art visitor experience in the largest and most high-tech observation deck in the country.



## Concept and Experience

- Concept focuses on storytelling and renewal, and offers full range of visitor amenities:
  - **Observatory:** pre-shows, elevator time-lapse experience and “See Forever” theater on level 102
  - **Dining:** diverse options on level 101
  - **Gift Shop:** offering a variety of high-quality items
  - **Special Events:** dedicated space for events
- Experience features multi-media exhibits and interactive displays



*Main entry on concourse level*



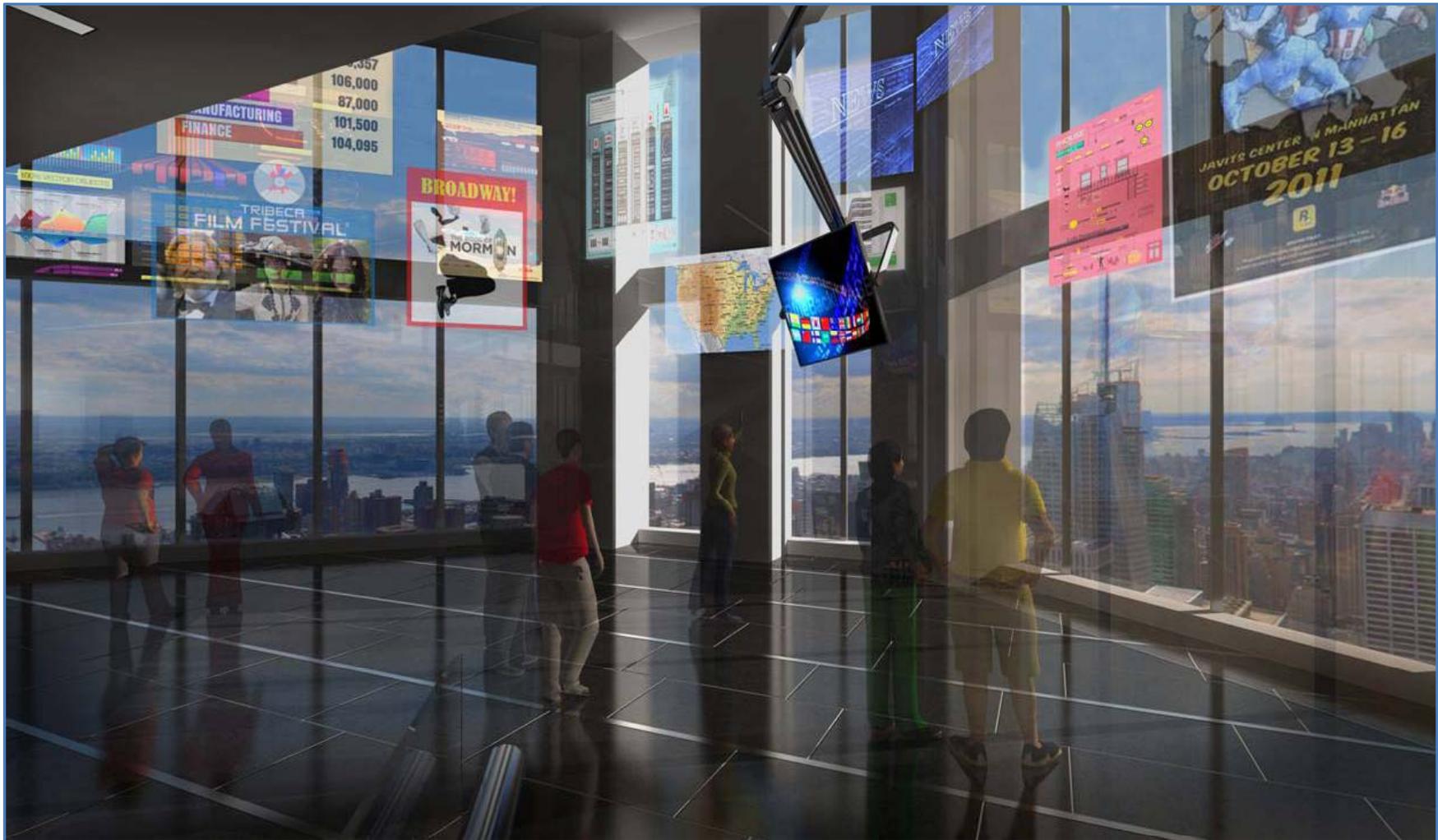
*Dining on Level 101*

# Attraction Images



*Concourse level pre-show*

# Attraction Images



*Interactive displays and magnificent views on level 100*

# Transaction Highlights

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<b>Term</b>	Fifteen (15) years
<b>Legends' Investment</b>	Approximately \$62.5 million
<b>PA Capital</b>	None required
<b>Rent</b>	Significant annual fixed rent and additional annual variable rent
<b>Guarantee</b>	Strong financial guarantee throughout the term
<b>Capital Reserve</b>	2% of annual gross revenue for renewal and upgrades
<b>Admissions</b>	Comparable to other similar world-class attractions with discounted rates for local schools and community groups