



GREAT HALL Predevelopment Agreement “PDA”

Denver Great Hall LLC

(An equity partnership between Ferrovial Airports LTD, JLC Infrastructure
and Saunders Concession LLC)

DENVER INTERNATIONAL AIRPORT

August 17, 2016

GREAT HALL

- Originally, Great Hall was a public open space
 - 9/11 brought changes including TSA to the Great Hall
 - TSA checkpoints are one of the top concerns for passengers
 - Pre-security is an area of vulnerability
- This program will revive a traveler's oasis and provide new opportunities for growth and an improved customer experience



1995



Today

GREAT HALL COMPONENTS



Great Hall

Ticket Counter Consolidation and TSA Relocation

- Consolidate ticketing on south Level 6
- Move TSA to north level 6
- Construct a passenger screening experience that is more pleasant, more efficient and more secure

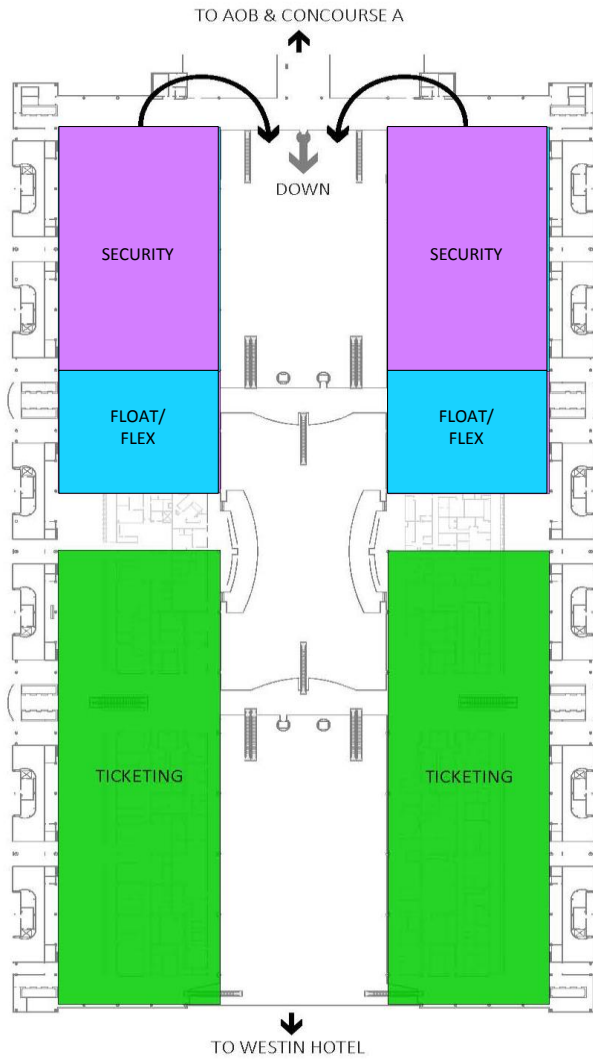
Customer Experience Transformation

- Improve retail and food and beverage development
- New opportunities, including for ACDBEs

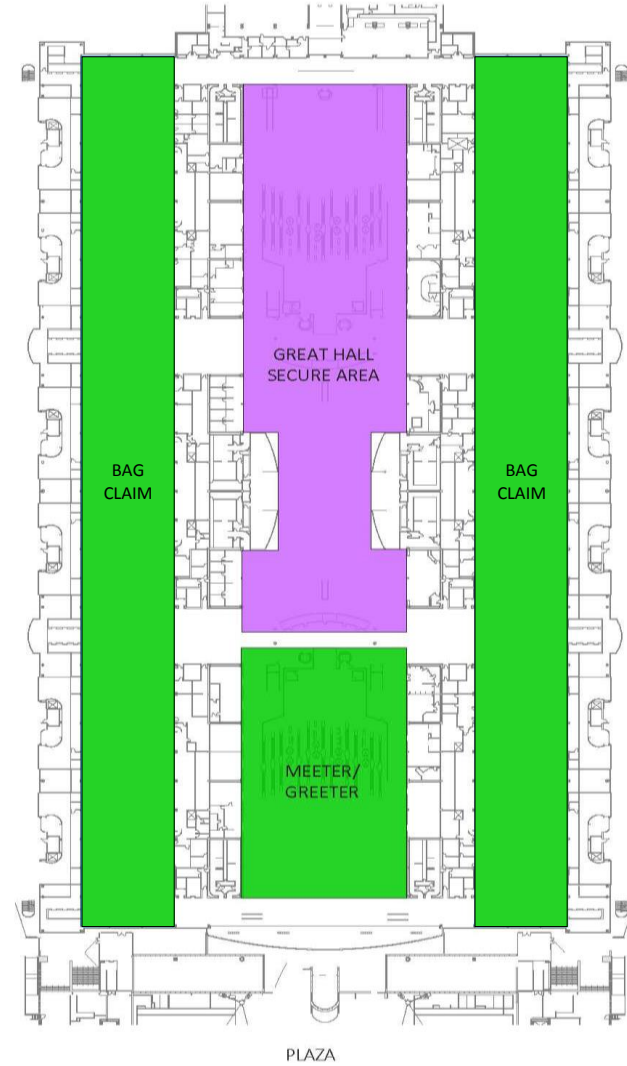
Baggage System Modifications

- Modify the baggage system to accommodate ticketing move
- Provide greater flexibility and efficiency
- Increase capacity

GREAT HALL CONCEPTUAL LAYOUT



Level 6



Level 5

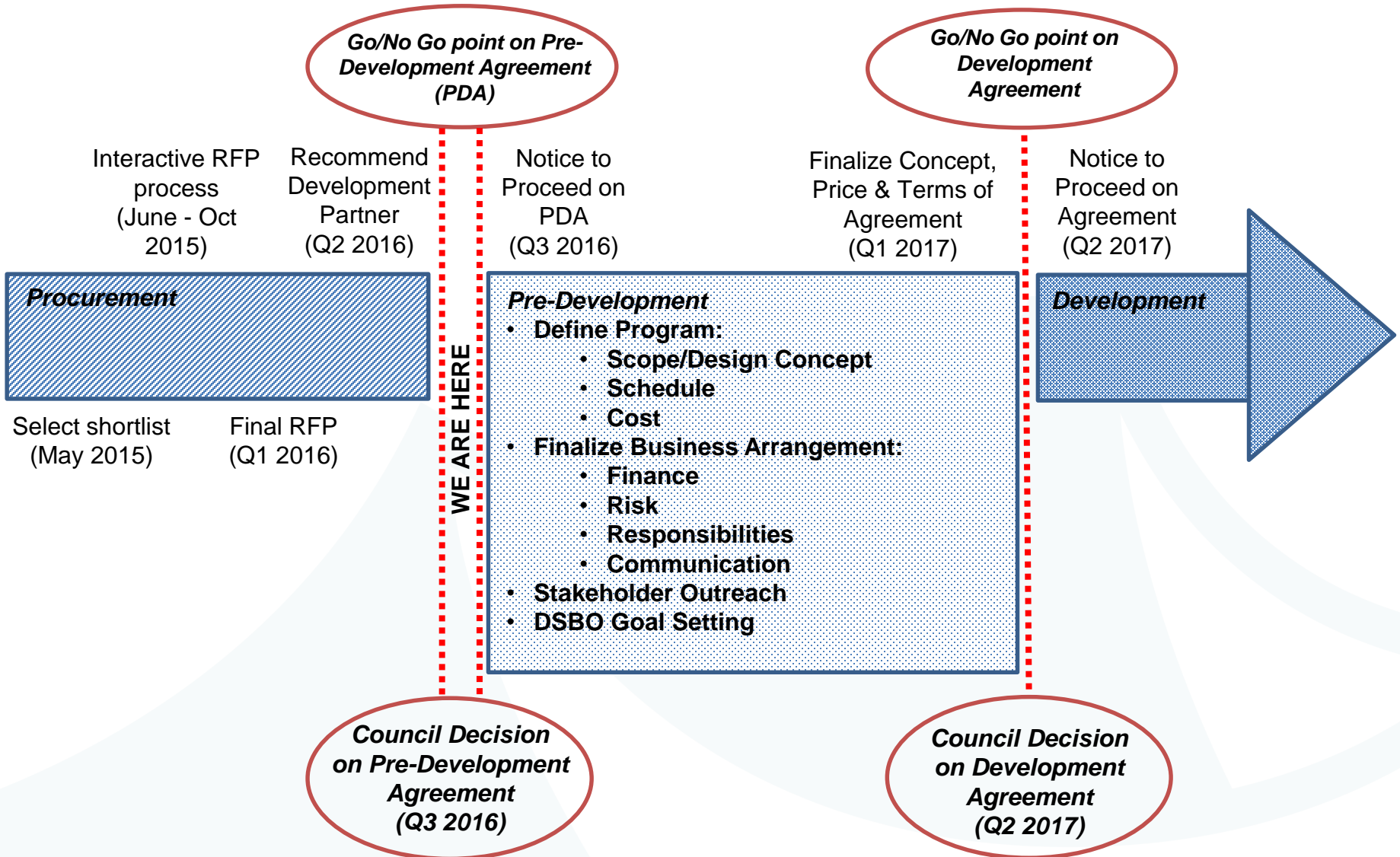
WHY A Public Private Partnership (P3)?

- DEN considered multiple project delivery methods in 2014:
 - Typical Design Build, Design Build with Management Contract, P3 with a Predevelopment Phase and Design Build Finance Operate Maintain (DBFOM)
- P3 with Predevelopment Phase selected because:
 - Provides the opportunity to partner with private sector firms, utilizing their creativity, expertise managing operations and the customer experience
 - Risk transfer – operationally and financially
 - Shorter project delivery time at lower cost
 - Leverage private sector capital in exchange for long-term revenue share

PROCUREMENT PROCESS

- Began in January 2015
 - Reached out to private development community for qualified partners
 - Released a Request for Qualifications (RFQ)
 - Selected four teams
- Met independently with each firm multiple times during 2015
- Issued a Request for Proposals (RFP) to four firms, three responded
- An independent panel of eight individuals with expertise in finance, public-private partnerships, transportation, design and aviation evaluated the proposals
- KPMG and O'Melveny & Myers assessed each firm's financial stability, ability to deliver the project and their financial plans

KEY MILESTONES





PREDEVELOPMENT AGREEMENT

- The Predevelopment Agreement allows DEN to enter into exclusive negotiations with Denver Great Hall LLC
- The agreement will:
 - Define the process for preparing the Development Agreement
 - Define the project scope, schedule and cost
 - Define the schedule for submitting proposed plans including finance, design, concessions, maintenance; establish goals for ACDBE, M/WBE
 - Determines the Termination Maximum Payment Value
 - Specifies rules of engagement including decision makers, communication protocol and dispute resolution
- If negotiations are successful, the Development Agreement will be presented to Council in Q2, 2017



PDA CONTRACT OVERVIEW

- The Termination Maximum Payment Value for the Predevelopment Agreement has been established at \$9 million
- Amount is based on intellectual property DEN will receive and own during the Predevelopment Agreement
- A schedule for deliverables and the associated value is spelled out in the Predevelopment Agreement
- The amounts associated with individual deliverables, as well as the overall maximum contract amount, do not reflect the actual costs to the Proposer
- Should we decide not to proceed into a Development Agreement, DEN will own intellectual property completed in the Predevelopment Agreement Phase



THE TEAM



One of the world's leading infrastructure investors. Internationally recognized for its airport and transportation investments around the globe and capacity to deliver complex constructions.

LVA
luis vidal + architects

AndersonMasonDale
Architects

HarrisonKornberg
ARCHITECTS



A Colorado-owned construction manager and general contractor with more than 40 years of experience in the Rocky Mountain region.



An investment management firm formed by Loop Capital and Magic Johnson Enterprises to invest in infrastructure assets across North America.



FERROVIAL KEY FIGURES

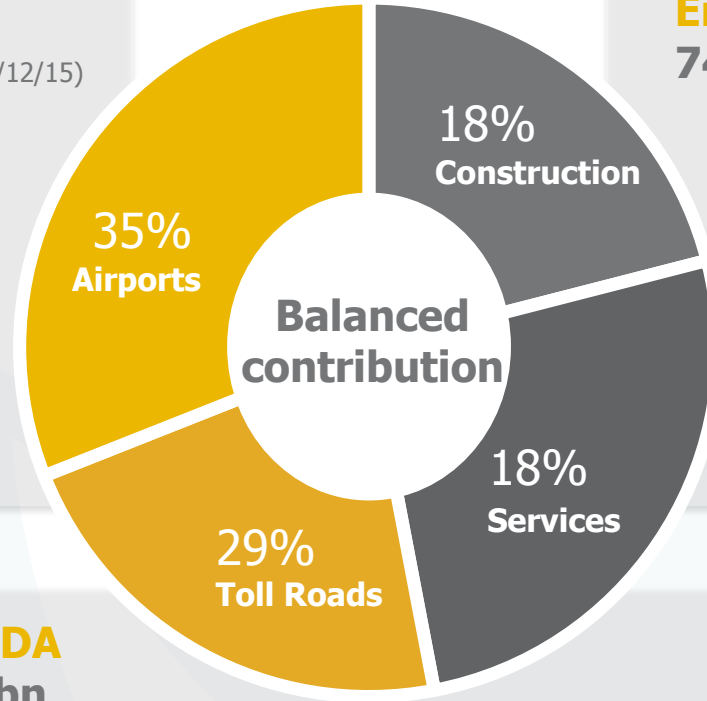


Market cap
\$16.6 bn (31/12/15)



Employees
74,032

Credit rating
BBB (Standard & Poor's
and Fitch)



R+D investment
\$47.8m

Social investment
\$5.4m



EBITDA
\$1.1bn

Total invested*
\$78.7bn

** PWF Financing / 2015*

Revenue
\$10.5bn

Cash Flow
\$966m (Ex- Infra)

FERROVIAL OUR FOUR DIVISIONS



Ferrovial Airports

- One of the largest private investors in airports
- Managing Heathrow, Aberdeen, Southampton and Glasgow
- More than 86.7M passengers

Served more than **125 airlines** in 2015

Handled more than **89 million** passengers to and from **379** destinations worldwide

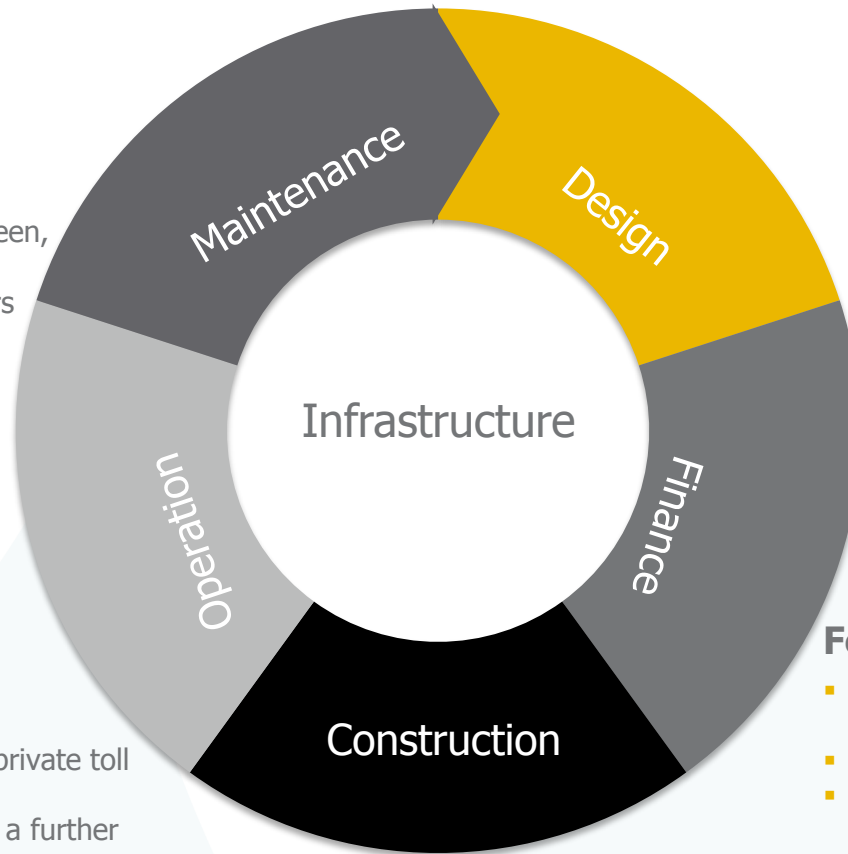


Cintra

- One of the world's leading private toll road developers
- Operating the 407 ETR and a further 27 toll roads in 9 countries.

Manages **1,166 mi.** of toll roads

Investment of more than **\$21.7bn**



Ferrovial Agroman

- Civil engineering
- Building
- Industrial
- Water

12,300 mi. of roads and **3,168 mi.** of railroad (including 435 mi. of high-speed)

Has built more than **320 mi.** of tunnels, **2,670 mi.** of highways



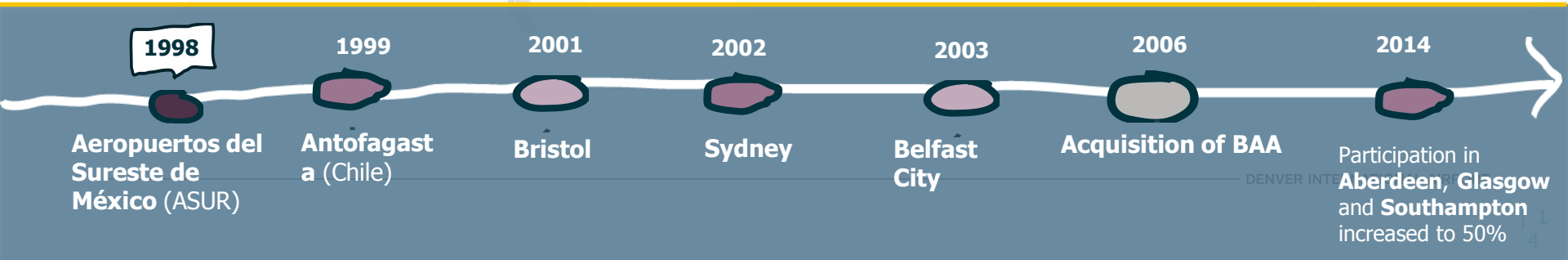
Ferrovial Services

- Municipal and environmental services
- Infrastructure maintenance
- Focus on Smart cities, waste recycling and energy efficiency

Benefits more than **22 million** citizens in **130 large** European cities

International presence in **Qatar, Portugal, Australia, UK, Poland and Chile**

FERROVIAL AIRPORTS' EXPERIENCE



AIRPORT PORTFOLIO: HEATHROW



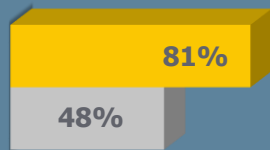
The airport with the highest passenger traffic in Europe

- 75 million passengers in 2015
- £1,845m EBITDA
- £2,765m Revenue
- 472,067 ATMs
- 2 Runways
- 5 Terminals
- Runways operate at 98%
- More than 93% long haul Pax
- More than 32% transfer Pax

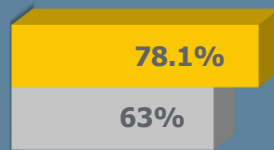


2007 2015

% Passengers rating LHR "Excellent" / "Very good"



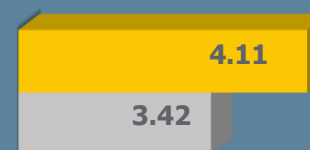
Departures punctuality (within 15 minutes)



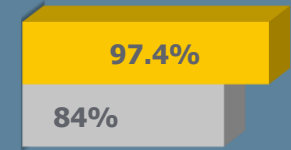
Missed bags per 1,000 passengers



ASQ – Overall Satisfaction (Out of 5)



Security waiting time (Less than 5 minutes)



Awards



- Best Airport in Europe Award – winner, ACI (2015)
- Eco-Innovation Award, ACI (2015)
- Terminal 5: World's Best Airport Terminal, SkyTrax Awards (2015)
- Best Airport Shopping Worldwide, SkyTrax Awards (2015)
- Best airport in Western Europe, SkyTrax Awards (2015)

CONSTRUCTION OF THE NEW TERMINAL 2



Heathrow
Making every journey better

Heathrow

- Budget: \$3.9bn
- Capacity: 20m passengers per year
- Hosts 26 airlines including Star Alliance (United)
- 69 retail outlets
- Project included retail, security screening, ticketing, a multi-story parking garage and public transportation connections directly into the terminal
- UK's safest construction project.
- 40% CO2 reduction compared to previous building



Awards

- First airport terminal in the world to receive (BREEAM) "Excellent" rating, for modern sustainable design
- South East Construction Excellence awards for "Health and Safety" and "Sustainability"
- Silver Considerate Constructors Award
- Green Apple Environment Award
- Gold RoSPA Occupational Health and Safety Award
- Best International Public Service Architecture in the world from Air Transportation World



SAUNDERS
Building Confidence[®]

*DaVita World
Headquarters*



Established in 1972, Saunders Construction, Inc. is a customer-centric firm, providing a wide range of services. With over \$5 billion in successful projects, Saunders is currently ranked as one of the largest general contractors in Colorado by ENR Magazine and the Denver Business Journal. Saunders takes pride in our depth, diversity and consistency.

Core Values

*At Saunders, our
reputation and
relationships are based
on: Care, Collaboration,
Commitment and
Community*



INTRODUCING JLC



JLC's brings several factors that will meaningfully contribute to the Great Hall Project

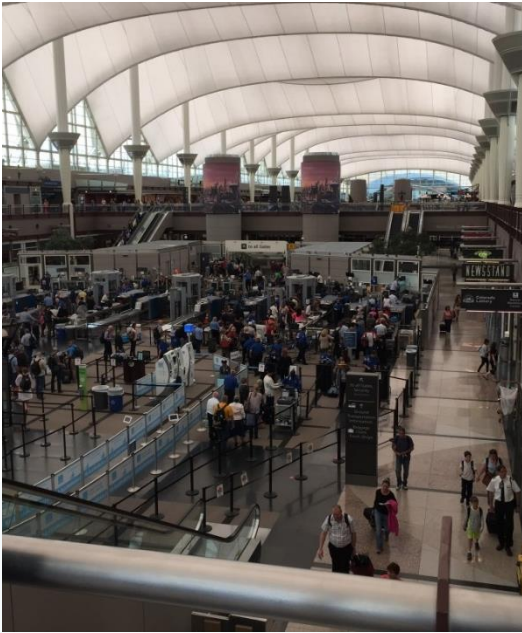
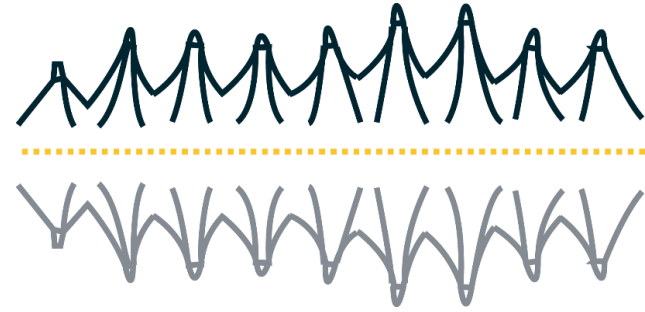
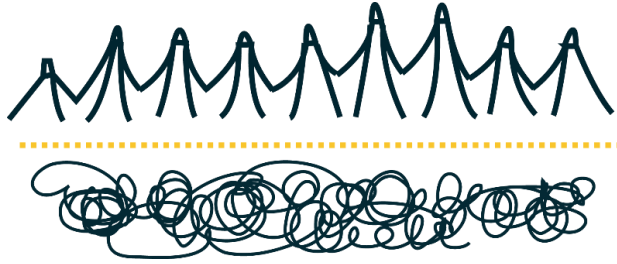
- Founded in 2015 by **Loop Capital** and **Magic Johnson Enterprises ("MJE")**, MJE-Loop Capital Partners LLC ("JLC") is an investment management company focused on the transportation, airports, energy, utilities, communications and social infrastructure sectors in the United States
- Leveraging the depth and breadth of the networks of Loop Capital and MJE, JLC works with operating partners, developers, advisors and government bodies to originate, execute and manage investments that meet its investment criteria
 - **Loop Capital** is one of the most active investment banks in the public finance capital markets and advisor on many prominent transactions in the transportation, airports, power and utilities sectors
 - **MJE** has developed a strong track record in creating opportunities for investment in urban communities and currently manages more the \$17 billion in assets

Experience ✓

Focus on the Community ✓

Long-Term Partners ✓

Terminal Revitalization



OUR TEAM'S GOALS

We will partner with the Airport during the PDA Phase to deliver a Project achieving the following:

- Improving Airport Safety and Security
- Transforming Passenger Experience
- Enhancing Operational Efficiency
- Optimizing the Revenue Potential
- Developing Partnerships
- Creating Jobs and Opportunities

Together, we will achieve the best program for DEN

World-class Shopping Environment

Expansive Range of Offerings

Balanced Local and International Concepts

Unique Passenger Experience



DEN the *benchmark*



- Leveraging local, national and international talent
 - Partnerships
 - Commerce Hub and DSBO (Division of Small Business Opportunity)
 - Working sessions with the community
 - Formulate a plan together to meet the goals
 - Competitive and transparent process to support small, local and ACDBE firms
 - Continuous outreach efforts that have already begun



SUPPORT OUR TENANTS

- Marketing Fund: social media and video wall; calendar of events; gamification; music → Building Colorado Ambience
- Training: Great Hall Concession Academy

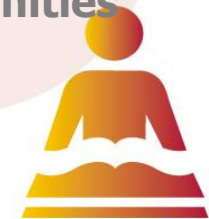


**1,525 people
placed into
apprenticeships**

**savings to
the
public purse**



**54%
employees
from local
communities**



**3,188
people
placed into
work**



The Great Hall

A Transformational Project





DENVER INTERNATIONAL AIRPORT

DEN