



ACPR y PRCC
Rebuilding Puerto Rico Through Tourism Development
The Opportunity Zone Mechanism

 **PRISAGROUP**[®]

Federico Stubbe, Jr.
January 17, 2019



Hyatt House
San Juan



East Beach
Residences



Hyatt Place
Manati



Hyatt Place Bayamon
& Casino



SpringHill Suites,
Millenia



The Waterfront



Sabana
Dorado

CURRENT EMPLOYMENT
(Operations & Construction)

± 2,000

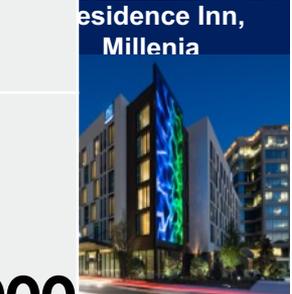


INVESTMENT SINCE
2010

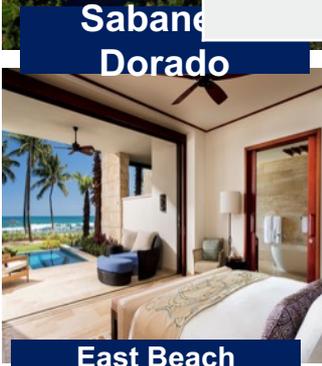
±
\$1,500,000,000



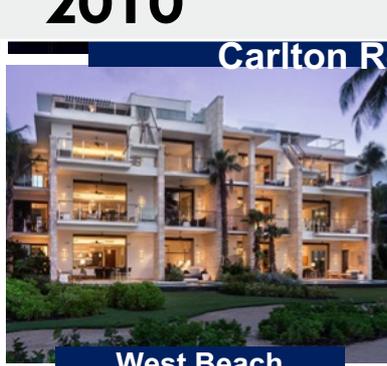
Residence Inn,
Millenia



Hotel, Tampa



East Beach
Residences



West Beach
Residences



Hyatt Place San
Juan

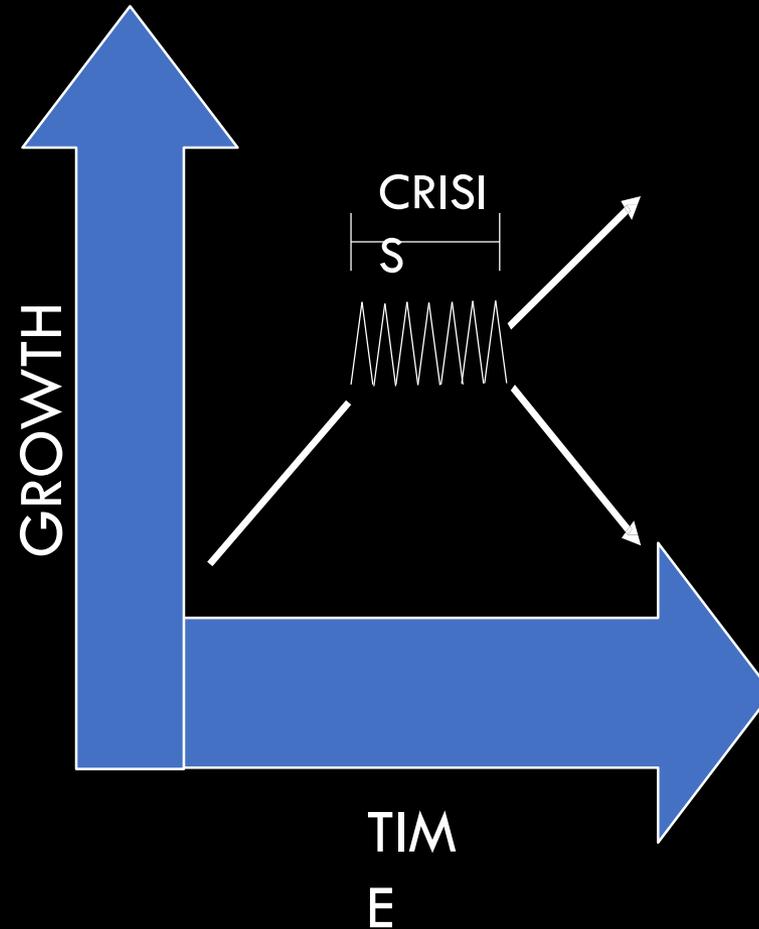


Ritz-Carlton
Reserve



Gran Vista Toa
Alta

ORGANIZATION LIFECYCLE



“It is not the strongest of the species who survives, nor the most intelligent that survive. It is the one that is the most adaptable to **change.”**

Evolution theory

Benchmarking against the strongest economy in our region

	Florida	Puerto Rico
Population	18.8 million	3.4 million
% of Pop born in State/Terr	35%	92%
Energy Cost	10.6¢ kw/hr	26.9¢ kw/hr
Employment as % of Population	38%	25%
Employment in Government as % of Population	5.9%	6.0%

Jobs to
government jobs
Puerto Rico needs **500,000** more private jobs to develop a sustainable economy.

PUERTO RICO AS A
 PLAYER IN THE **GLOBAL** ECONOMY:
 What is Puerto Rico's Unique Selling Proposition?
 How do we compete?
 Against who do we compete?

SUSTAINED ECONOMIC GROWTH

TOURISM
&
VISITORS
ECONOMY

MANUFAC
TU-RING
&
INFRASTR
UC-TURE

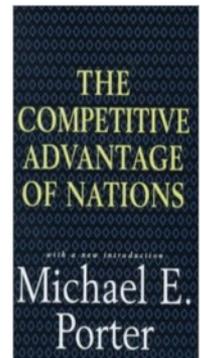
ACT
20/22 &
EXPORT
SERVICES

INNOVATION = SUSTAINABLE COMPETITIVE
ADVANTAGE

Energy	Education	Lower taxes
Budget reality	Healthcare parity	Permitting & Land Use
Security	Debt Load	Privatize

FOUNDATION. GET THE HOUSE IN

ORDER



WHY TOURISM

- 1. Worldwide growth has translated to Puerto Rico growth. Global economy play.**
- 2. Does not need strong local economy.**
- 3. Competitive tourism infrastructure is good for all other areas of the economy.**
- 4. Capital from outside the Island.**

“Tenemos que identificar las oportunidades estratégicas. La gran oportunidad estratégica -a corto y mediano plazo- es el turismo”

RICARDO ROSSELLÓ
Gobernador

Tourism Development Can Contribute 200,000 Jobs to the Cause

WHERE? HOW? WHEN? = PLANNING FOR EXECUTION

Planning, Incentives, Funding, Permitting: A Joint Strategy

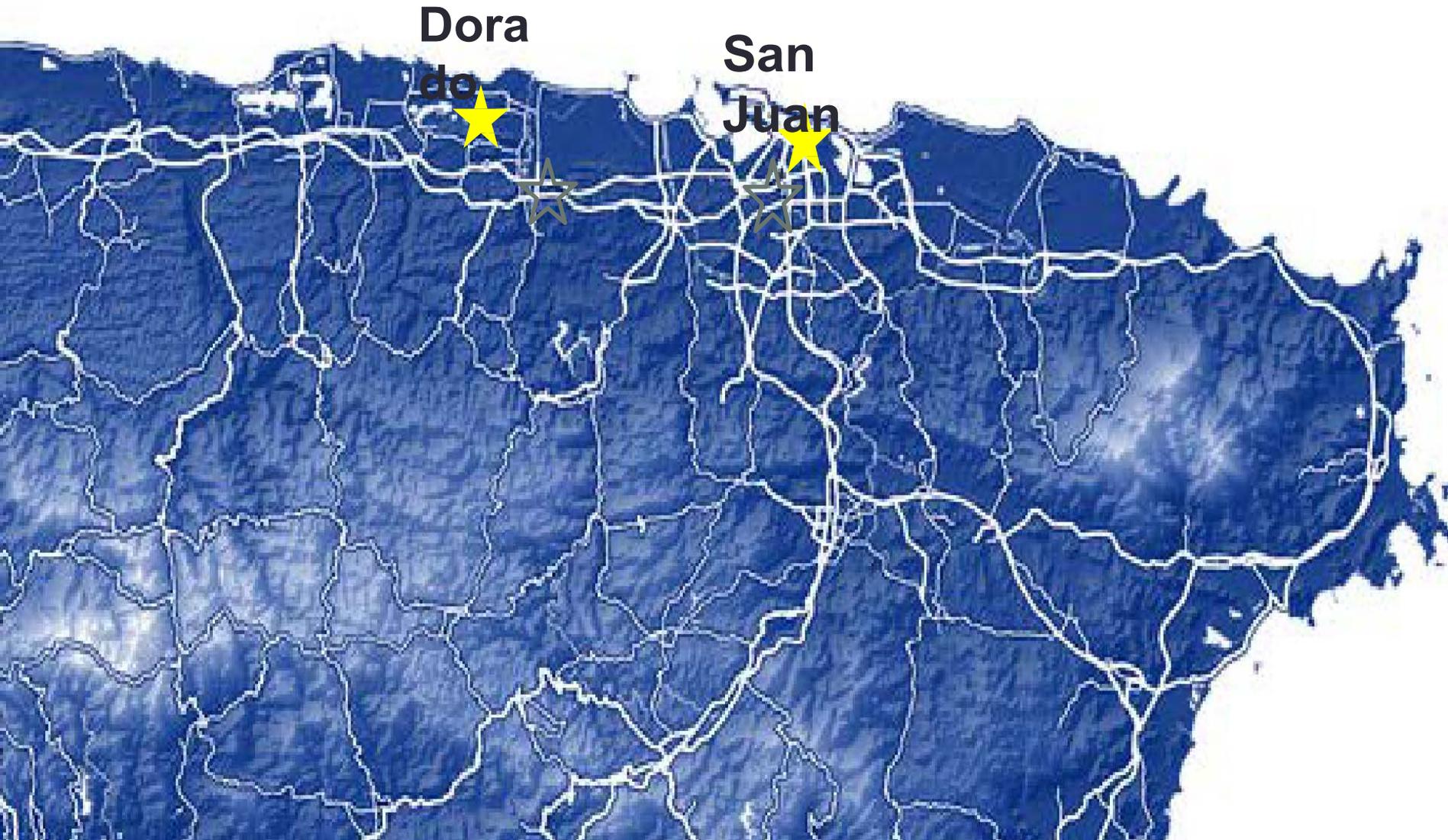
Plan para el Desarrollo Turístico de Puerto Rico



At 10 direct, indirect and induced jobs per room*, that's the equivalent of 20,000 new rooms, with supporting retail, entertainment and food & beverage elements.

**Source: Estudios Tecnicos*

Nodes of Concentration for Development Excellence

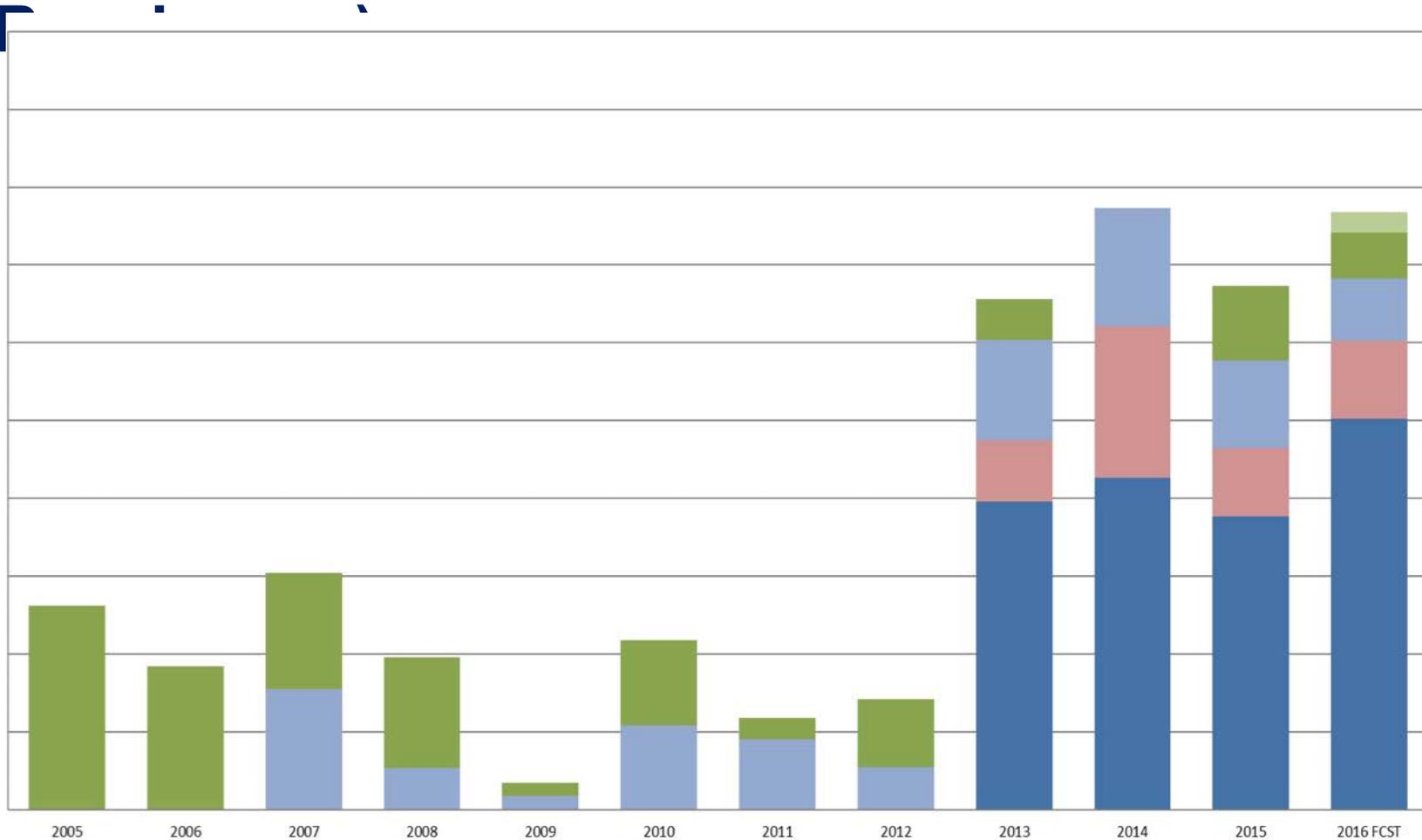


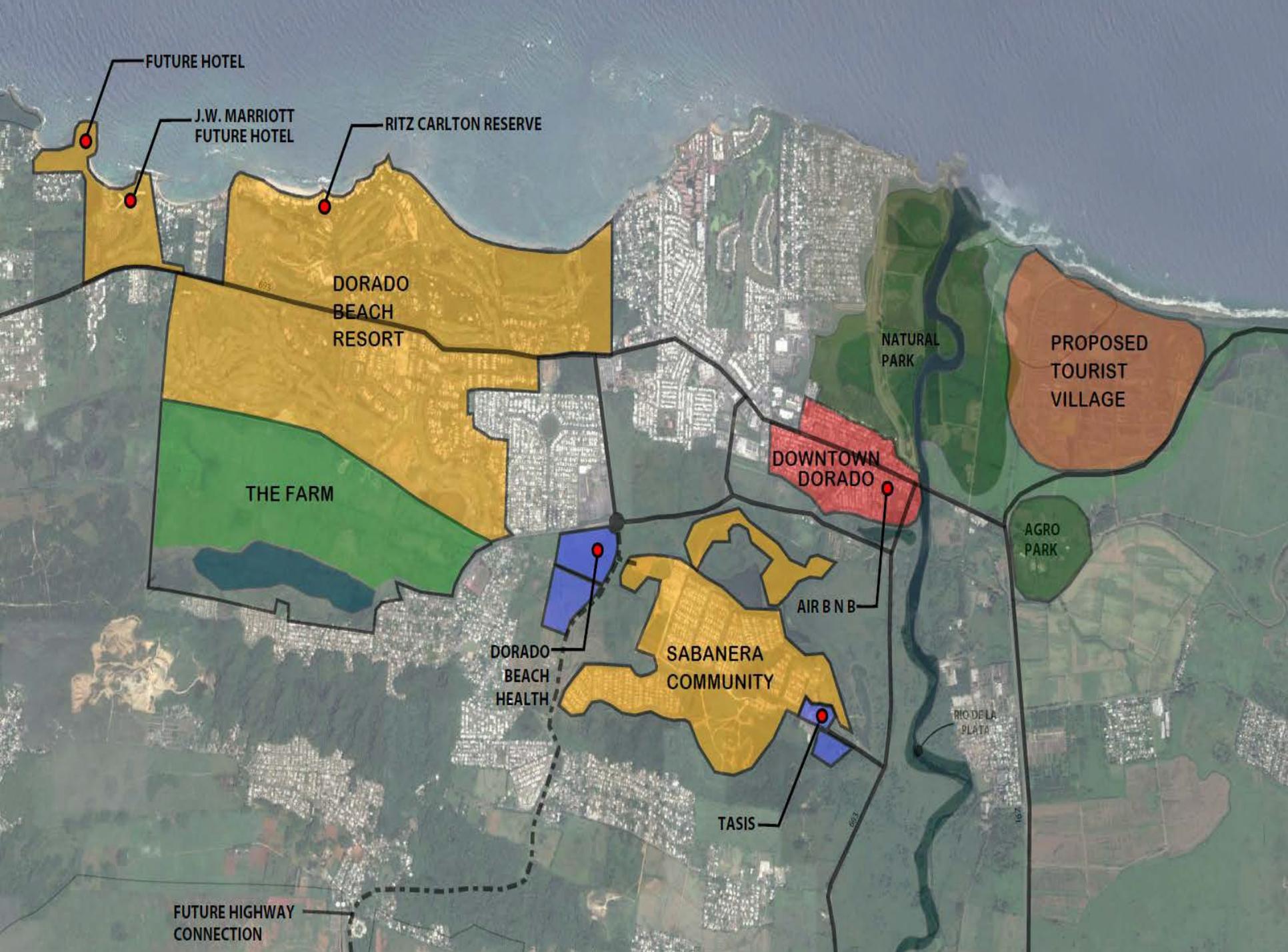


DORADO



Tourism & The Visitor Economy: Residential Tourism (the Dorado





FUTURE HOTEL

J.W. MARRIOTT
FUTURE HOTEL

RITZ CARLTON RESERVE

DORADO
BEACH
RESORT

THE FARM

NATURAL
PARK

PROPOSED
TOURIST
VILLAGE

DOWNTOWN
DORADO

AGRO
PARK

AIR B N B

DORADO
BEACH
HEALTH

SABANERA
COMMUNITY

RIO DE LA
PLATA

TASIS

FUTURE HIGHWAY
CONNECTION



JW MARRIOTT.
Dorado Beach



DORADO BEACH
life time

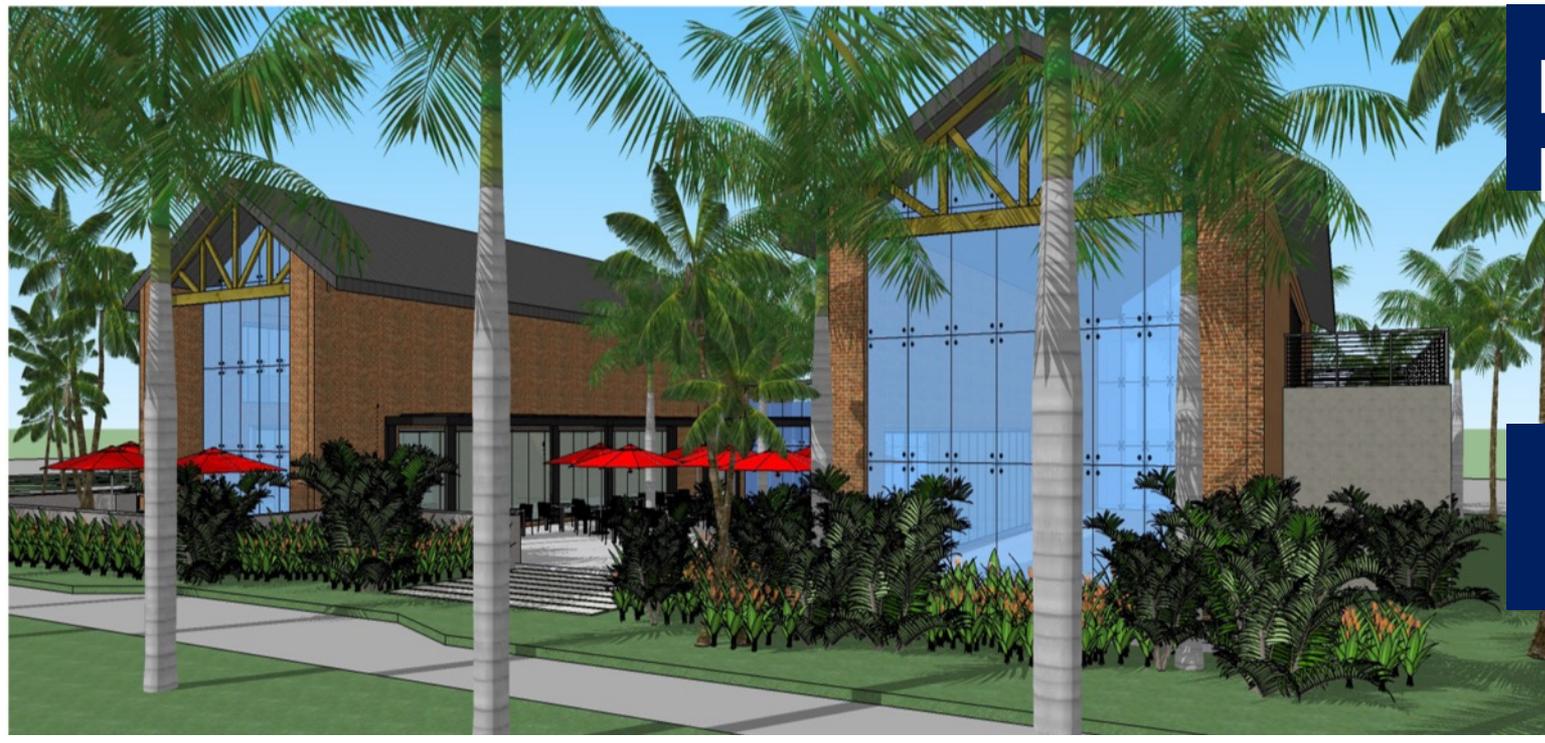


FINCA AGROTURISTICA





DB HUB



**DB
MARKET**

AIRPORT



AFFILIATED WITH  **JOHNS HOPKINS**
MEDICINE



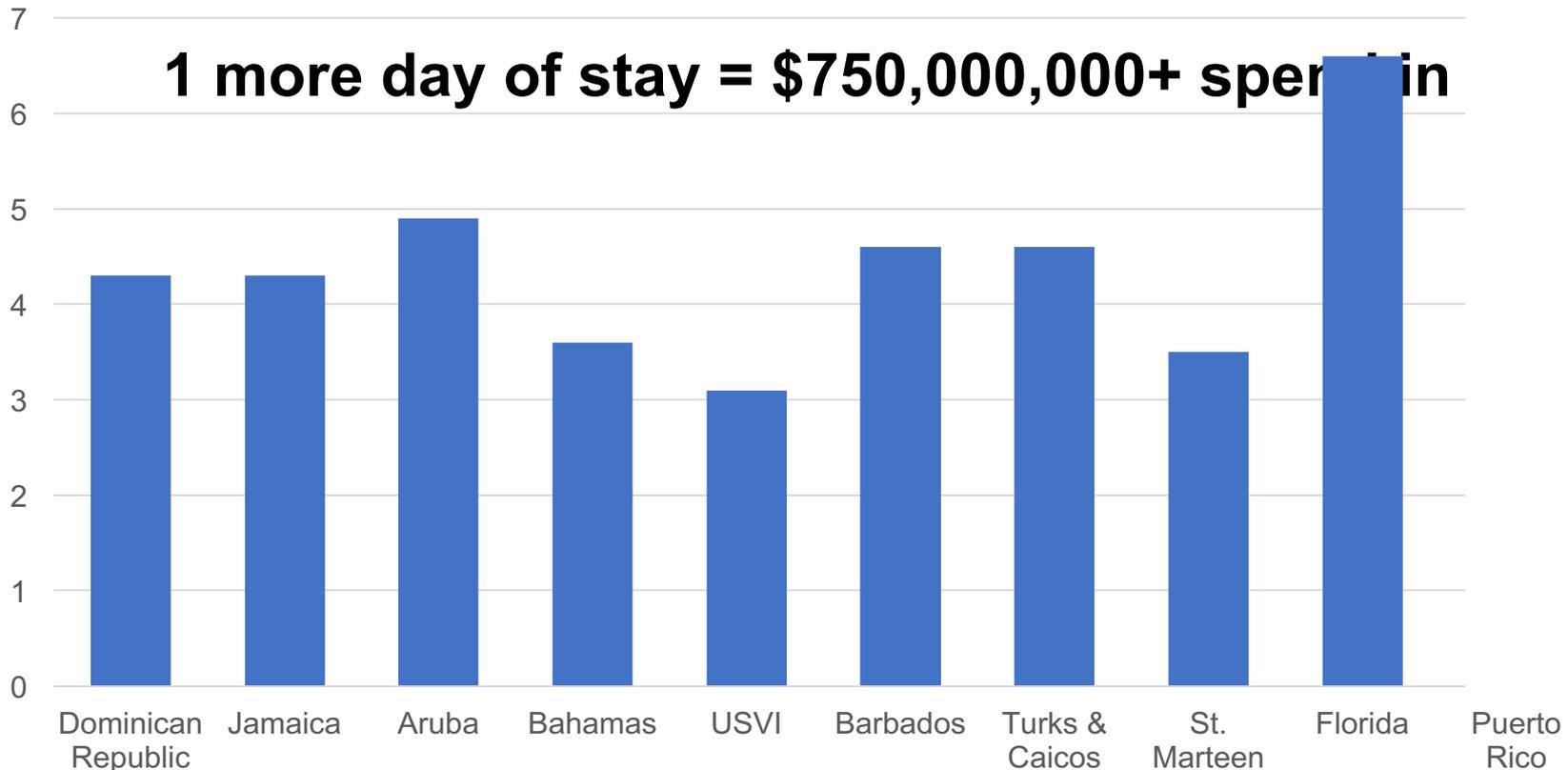


SAN JUAN



Puerto Rico's Average Length of Stay is the shortest in the region

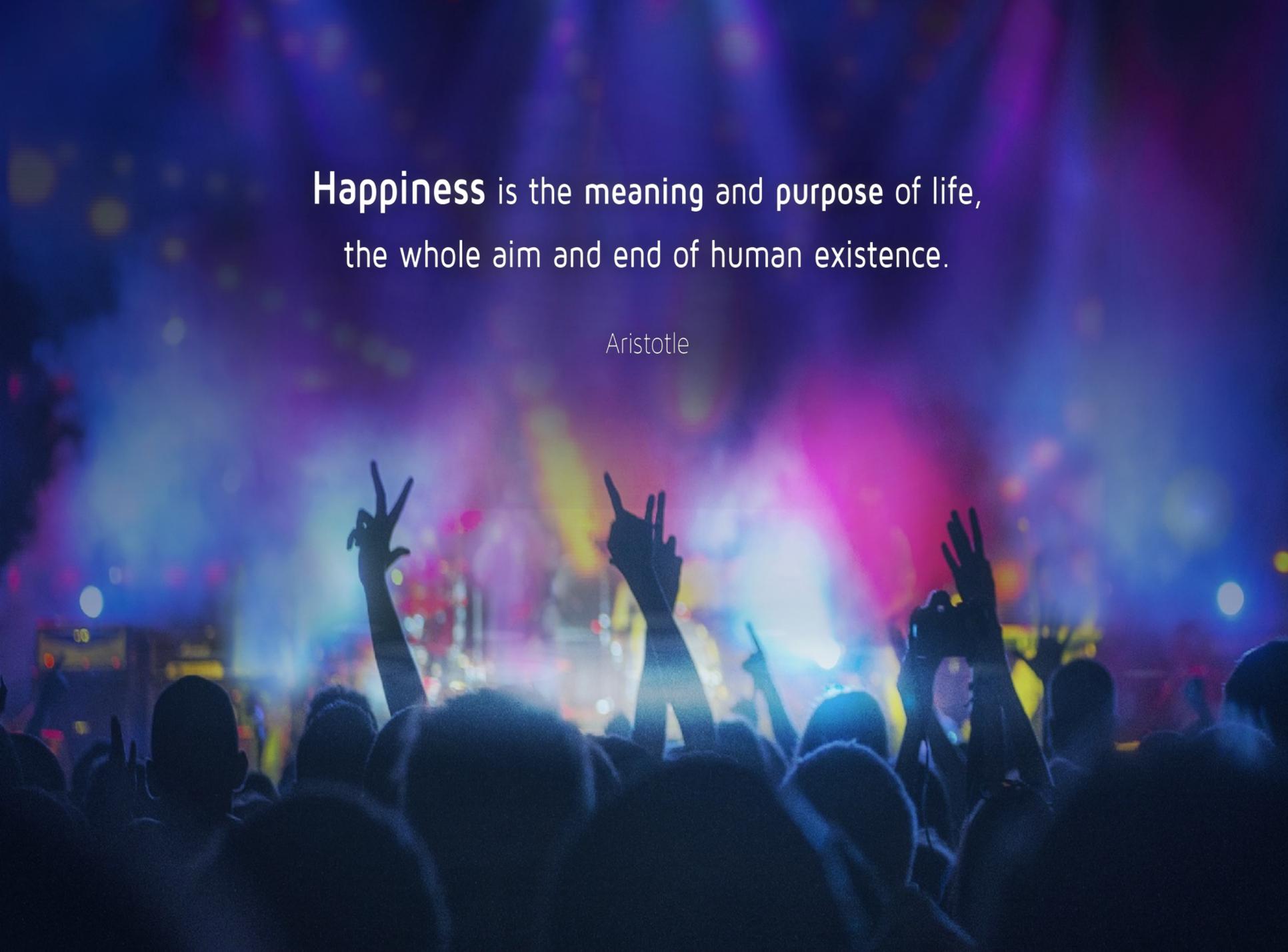
(Source: PR Planning Board)



We need to focus on developing the EXPERIENCE of Puerto Rico in order to attract new visitors and increase our ALOS.

Happiness is the meaning and purpose of life,
the whole aim and end of human existence.

Aristotle



DISTRICT



PUERTO RICO'S PREMIER ENTERTAINMENT
DESTINATION





ROCK CONCERT

THE PAVILION
AT DISTRICT LEVEL

KID ZONE

THE DISTRICT

BOX OFFICE

THE PAVILION

AT DISTRICT LIVE!



HOTELS



PLUS MUCH MORE TO BE









THE DISTRICT

THE PAVILION
AT DISTRICT LIVE

LA CANTINA

Bar & Grill



THE PAVILION
AT DISTRICT LIVE

THE
BEER HALL

Bar & Grill



SUSHI TUBA YASHI

DRY CLUB NIGHT CLUB

VINOTONNE

DISTRICT LIVE STUDIOS

DISTRICT LIVE STUDIOS

ILLUME

ILLUME



THE DISTRICT

THE PAVILION

BEER HALL



OPENS LATE 2019





**DISTRICT LIVE WILL
SERVE AS AN ANCHOR
FOR A BROADER
TOURISM AND
ENTERTAINMENT
ECOSYSTEM FOR SAN
JUAN**

There are numerous examples of old ports that were relocated from areas of great value to areas of lesser value to allow for the development of new, modern cities.



Old Port of Miami



Port of Miami Today



Meigs Field, Chicago



Navy Pier, Chicago



Baltimore



District Wharf, Washington, D.C.



Port Vell, Barcelona

Sailing
Tours



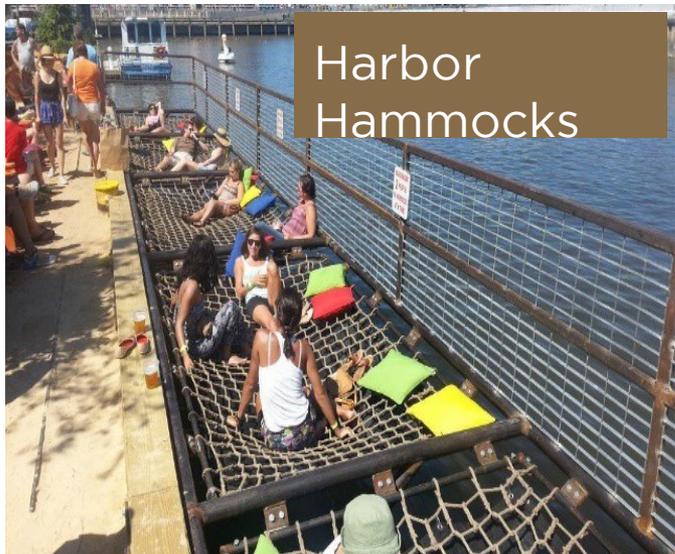
Mega Yacht
Marina



Ferry
Rides



Harbor
Hammocks



Container
Kiosks



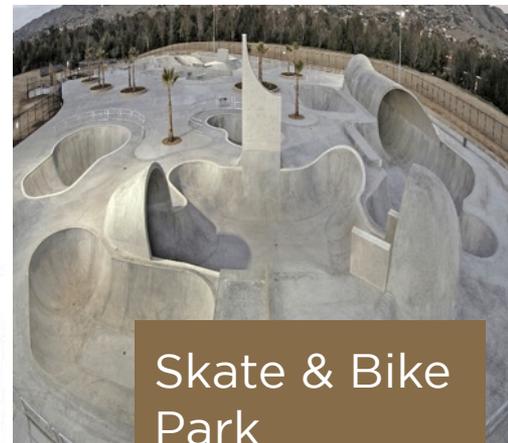
Water Sports &
Parks



Urban Beach



Action Trails



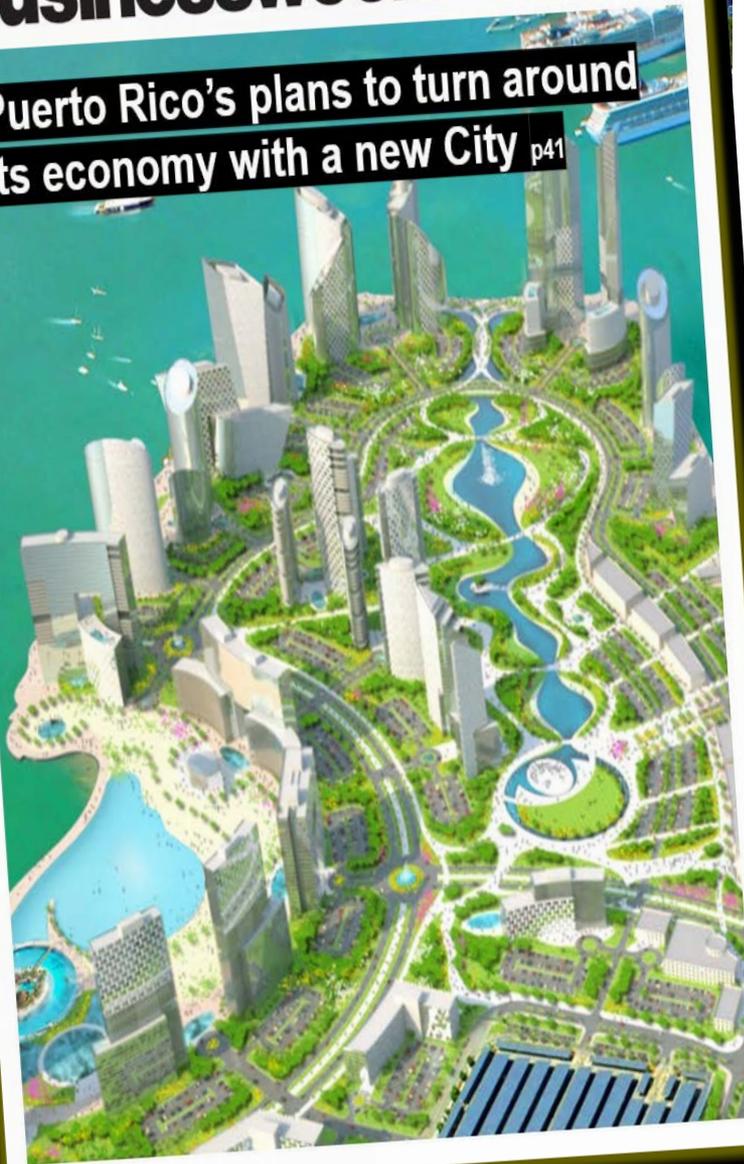
Skate & Bike Park



Fit Community

Bloomberg Businessweek

Puerto Rico's plans to turn around its economy with a new City p41



Hotel
s

Reta
:
Offic

Resident
ial



Sailing
School



Floating
Park





Tourism & The Visitor Economy: Niche Development Opportunities

GROUPS & CONVENTIONS

LEISURE TOURISM

****RESIDENTIAL TOURISM****

MEDICAL TOURISM

SPORTS TOURISM

REGIONAL TOURISM

CRUISE SHIP VISITORS

**TOURISM BY PUERTO
RICANS RESIDING IN USA**

**EVENTS & FESTIVAL
TOURISM**

LAW 22 ECOSYSTEM

****SECOND HOME MARKET****

NEW RETIRED RESIDENTS

WEDDINGS

CORPORATE VISITORS

ADVENTURE TOURISM

MARINE/OCEAN ECONOMY

10 Things We Need In Order To Execute

1. Focus on private sector and private jobs creation.
 - a. Political debate should be about how to create jobs and education.
2. Certainty and stability in public policy
 - a. Planning, incentives, construction codes & other programs
3. Labor costs
4. Plan, announce and execute bold, world-class projects for the Puerto Rico of the next decade, which create global awareness on our drive to create an exemplary society and bring hope for a brighter future.

What We Need In Order To Execute (Cont.)

6. Use Local Developers, Builders & Consultants.
7. We must redevelop our coastline and our cities to be a viable alternative to South Florida (inc. Recursos Naturales under DDEC umbrella)
8. Solve the energy issue.
9. Don't forget Security.
10. DMO Support + cover the positive
11. Ensure local OZ legislation makes the mechanism attractive versus the other jurisdictions considering the \$5.4 trillion in unrealized capital gains.

FEARLESS IN THE AGE OF ACCELERATION

think bigger

act bolder

collaborate more

OUR MOST IMPORTANT METRIC: IMPACT

**...AND DON'T FORGET TO
ENJOY THE RIDE THROUGH
THIS WONDERFUL CHANGING
WORLD!**

THANK YOU