



Commonwealth of Puerto Rico

Governor's Office
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PRESS RELEASE

Construction for the first hotel in the Puerto Rico Convention Center District Begins

San Juan, Puerto Rico – As an additional boost to the economic development of the Island and as part of the Major City's project to transform the Greater San Juan area as the Metropolis of the Caribbean, as fostered by the City's administration, the Governor Anibal Acevedo Vila announced today the commencement of the construction of the Puerto Rico Convention Center Sheraton Hotel, which will be the first hotel in the International Convention District.

“The beginning of the construction of what will be the anchor hotel of the Convention Center is fundamental in complementing the activities being held in the district, making it more competitive and increasing interest in the Island as a tourism destination. The development of new hotel rooms in the vicinity of the Convention Center, in particular within the district, is essential in guaranteeing the success and maximum enjoyment of this area”, stated the Governor.

The Head of State made this statement after participating in the placement of the hotel's cornerstone, joined by the Director of the Convention Center, Manuel Sánchez Biscombe; the Secretary of Economic and Commercial Development, Ricardo Rivera; the Executive Director of the Puerto Rico Tourism Company, Terestella González Denton; and directors of the Sheraton Hotel chain among others.

The First Executive highlighted that the development of the Convention Center District, and its location near the San Juan Harbor, airports, banking and financial district, sporting facilities and coliseums, place Puerto Rico in the forefront to compete in an industry that generates of \$122 billion dollars yearly in the United States.

“Certainly, the construction that we leave on its way today, and that is expected to open on December 2008, with its public and private projects that are being built here, as well as the those from the Major City, represent what I want for Puerto Rico: infrastructure and planning for the future; acceleration of the private and public development; creation of new employment opportunities; technologically advanced facilities; improvements to our urban settings and the protection of our environment”, added the First Executive.

The Governor also said that this hotel is the first to be financed privately. He stated that First Bank will finance its construction with up to \$153 million which are guaranteed by the Fondo para el Desarrollo del Turismo del Banco Gubernamental de Fomento in its permanent finance stage.

Acevedo Vila explained that the Sheraton Hotel, designed by the architectural firm RTKL Internacional and Ray Architects Engineers, will provide 500 new rooms to the 1,700 planned for the Convention District, with over 100,000 sq. ft. of commercial space, activity facilities, restaurants, gym, spa, casino and 400 parking spaces.

“Everything, as part of the scheduled compromise to build new hotels and reach the goal of 5,000 new rooms during this 4-year tenure to continue accelerating our economy”, stated the Governor.

He stated that during construction, the Sheraton Hotel will generate approximately 1,000 jobs, with an estimated payroll of \$30 million, and when in operation, it will generate over 760 jobs with an estimated annual payroll of \$15 million.

The Head of State indicated that this project will be developed by a group of investors headed by Interlink Group. Within this group, we can also find Muñoz Holdings, Commercial Centers Management y Starwood Hotels and Resorts Worldwide, Inc. who will participate with an estimated \$53.7 million and who will manage the hotel under the Sheraton flag. Likewise, the Puerto Rico Tourism Company, through the Corporation for Hotel Development, is part of this investors in this project.

“This fact demonstrates the trust that has generated the International Conventions District within the financial district, and has also captivated the private arena. This is especially the case with the hotel, whose investment is approximately \$209 million. Private investment in the 11 plots of the Convention Center District will reach \$900 million and public investment is estimated at \$415.7 million”, stated the Governor.

The First Executive highlighted that once construction is completed in the District, it will have an estimated economic impact of over \$300 million annually. This means an excess of \$23 million annually for the General Fund of Puerto Rico.

He mentioned that the development of the Convention Center District, which covers 113 acres of land, is part of the Major City’s restoration project which includes the rehabilitation of the docks from San Juan to el Condado, going through Puerta de Tierra and San Juan’s new Waterfront, which covers Miramar, Santurce, Hator Rey and Rio Piedras; all the way to Bayamon, Carolina, Guaynabo and Trujillo Alto.

“A Major City that is on its way, is already transforming our metropolitan area by the maximization of the land to transform it in the main and most modern urban center in the Caribbean. A Major City, interconnected but lushly green at the same time that follows the redevelopment and the urban transformation of important metropolitan areas in an integrated, efficient and sustainable fashion, so that we may have a more human, habitable, dynamic and safe city to live in”, finalized the Governor.

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