

Lambert owns 1,000 acres of vacant land. St. Louis wants to figure out its development potential

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ST. LOUIS - As it begins its review of 18 potential bidders to lease St. Louis Lambert International Airport, a city committee is hiring a consulting firm to review the development potential for more than 1,000 acres of vacant land owned by the airport.

The Airport Advisory Working Group voted Thursday to contract with Cushman & Wakefield, a global real estate firm with a large St. Louis area presence, to analyze the property and recommend commercial, industrial and other uses.

The information provided could aid bidders in preparing their proposals for Lambert and help the city structure a lease deal if officials decide to go ahead with one.

Cushman & Wakefield will be paid \$60,000 for a "highest and best use" analysis and on a per-hour basis for further advisory services.

An overall estimated figure wasn't announced but it's likely to be a relative drop in the bucket compared to the several million dollars already paid to the city's existing privatization team of 18 consulting firms.

As with the other consultants, a nonprofit funded by political megadonor Rex Sinquefeld will pay the real estate adviser and be reimbursed from the lease proceeds only if a deal is eventually reached.

"These sorts of supplementary advisers were envisioned in the overall contract that we signed with the city, so this is not a surprise," said Glenn Muscosky, managing director of Moelis & Company, the working group's main financial adviser.

Airport Director Rhonda Hamm-Niebruegge said the land, some of it formerly occupied by homes, was bought over the years mainly for noise mitigation or in connection with the new runway that opened in 2006.

Because of the type of bonds used to pay for those buyouts, she said, the property can only be used for governmental purposes until the debt is paid off.

One city requirement for any company chosen to lease Lambert will be to provide money to pay off Lambert's debt of about \$600 million. If that happens, all the vacant land could be developed.

As it stands now, Hamm-Niebruegge said, the debt is being paid off more gradually although "aggressively." She said some pockets of land had been freed up previously for possible private development and more would be available over the next five to seven years.

Meanwhile, the working group decided to meet Tuesday in closed session to begin discussing the 18 responses submitted last week to the city's "request for qualifications" issued by the city to potential bidders.

Muscosky said he and other consultants recommend that the committee pare the list down before inviting representatives of some of the companies for face-to-face visits.

The working group voted Thursday to make airport management experience the main factor in deciding which companies and teams of firms from which to seek actual bids.

That will be given a weight of 40% in its scoring criteria, the group said.

Weighting of 20% will be assigned to a would-be bidder's experience at delivering a significant capital expenditure program, 20% to its record in completing public infrastructure transactions, 10% on its record developing property adjacent to airports, and 10% on its record of managing public infrastructure for the benefit of its community and region.

Muscosky said the scoring would be only one part of the evaluation on who advances to the next round.

- Caption: Passengers make their way to the check-in counter in Terminal 2 at St. Louis Lambert International Airport. Photo by J.B. FORBES, JFORBES@POST-DISPATCH.COM

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