



American Tobacco Hotel Developer Selection Process

Durham, North Carolina

Capitol Broadcasting Company (CBC) is the developer/owner of the American Tobacco Historic District mixed-use campus in downtown Durham, which includes the Durham Bulls ballpark, significant office space, and the Durham Performing Arts Center (DPAC). In 2004, a redevelopment and restoration project was launched to transform the iconic American Tobacco Company's campus into a unique, mixed-use development. The goal was to invigorate the downtown area and preserve the historic fabric of the community. Included on the site was a 10,000 square-foot parcel that could be developed as a hotel. The development concept consisted of an urban 'wrapper' design that would wrap the DPAC parking garage on two sides with a potential hotel development.

HSP completed a comprehensive market and financial feasibility study for the proposed project under a number of scenarios, including as a limited service hotel, full-service boutique hotel and as a conference hotel.

HSP was then asked to help the owner select a development partner through a developer selection process. The process involved creating an RFP document for developers, managing the solicitation process, touring firms through the District, interviewing firms, creating financial structures, and advising on the financial structure for the project.

The process led to a successful hotel development in downtown Durham. The parcel in the American Tobacco Historic District is now a 134-room Aloft hotel.

Client: Capitol Broadcasting Company

Time Period: 2008