Frost Brown Todd represents client in the first public private partnership (P3) for a university parking system

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Categories:

Experience

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In February 2012, Frost Brown Todd was engaged by QIC Global Infrastructure ("QIC") (a subsidiary of an Australian investment manager with approximately $64.7 billion in assets) together with New York counsel to represent QIC in its bid to enter into an agreement with The Ohio State University ("University") for the privatization of its parking facilities and assets for 50 years. A team of more than 20 Frost Brown Todd attorneys conducted preliminary due diligence on several issues of legal first impression.

On June 22, 2012, The University accepted a $483 million bid submitted by QIC for a term of 50 years. After QIC successfully obtained the bid, Frost Brown Todd – together with New York and Delaware counsel – was further engaged to assist in the formation of the holding company structure; review and negotiation of the project finance agreements, which involved structuring documentation of a syndicate of 4 banks; negotiation and implementation of the operator agreements, labor and employment considerations, and evaluation and implementation of the necessary licenses and permits.

This landmark transaction was formally consummated on September 21, 2012, and QIC – via its independent operator, LAZ Parking Midwest, LLC – has successfully taken possession of the University's Parking System, which consists of over 13,500 spaces in 17 garages, 22,230 spaces in 56 lots, and 158 metered spaces. The Long-Term Lease and Concession Agreement provides the University with considerable flexibility and contemplates the construction of future capital improvements, reclassification of parking spaces, and the potential expansion of campus. The net proceeds of the transaction will be added to the University's Long-Term Investment Pool and used to support various programs and facilities initiatives.