

Version: May 2009

LODGING HOUSE FOR HOSPITAL STAFF, HOTEL-TYPE LODGING HOUSE AND PARKING LOT

I. General project information

Project	Construction, maintenance and operation of a hotel-type lodging house and a parking lot in the Central Military Hospital (CMH) in Střešovice, Prague, the lodging house being intended for CMH staff (construction).
Public authority	Central Military Hospital, Prague – state allowance organization founded by the Ministry of Defense
Strategy	<p>The Authority's and the Ministry of Defense's strategic goal is to transform the Central Military Hospital in Prague into a top military healthcare facility comparable to similar facilities in other NATO members. The Central Military Hospital will be a training and educational facility that will educate military and civil physicians, cooperate with international institutions within NATO and EU and be ready to provide medical services to foreigners coming from NATO armies. The ongoing extensive reconstruction of the Central Military Hospital (CZK 2.5 billion have already been invested) is also part of this strategy.</p> <p>The accommodation project is a top priority and a part of the above mentioned strategy, since project completion is necessary for the introduction of the so-called one-day surgery, which does not require inpatient treatment, but should provide accommodation for out-of-Prague patients for one or several days.</p> <p>A lodging house for CMH staff will be also built in connection with the construction of the hotel-type lodging house and the parking lot.</p>
Project aim	Build a hotel-type lodging house that will provide a flexible accommodation capacity with about 250 beds, selected auxiliary services, including a restaurant, and a parking area in the Central Military Hospital. Build a lodging house for CMH staff.
Project description	<p>The combined project of a lodging house for CMH staff, a hotel-type lodging house and a parking lot comprises several functional sections with different economic characteristics.</p> <p>The project can be divided into two fundamental parts:</p> <ol style="list-style-type: none">1. Public part used directly by the CMH and serving to deliver public services:<ul style="list-style-type: none">lodging house for CMH staff (240 beds),swimming pool (within the lodging house for CMH staff),20 beds in the hotel-type lodging house (hotel),202 parking places in the underground parking lot,information centre,entrance gate.2. Commercial part, which will provide accommodation and boarding for the CMH's related activities (e.g. congresses and other events) and provide supporting services to ensure a sufficient interest of the private sector in the project:<ul style="list-style-type: none">hotel (250 beds),hotel restaurant,conference center,93 parking places in the underground parking lot,commercial retail areas.
Status	The Outline Business Case was approved by Government Resolution No. 1082 dated 24th September 2007. The 3rd phase of the concession dialog with private partners is in process now.
Capital value	The expected investment costs are about CZK 1 billion.

II. Envisaged characteristics of the PPP project

Note

The information contained below (*) is just a preliminary projection made by the Authority and shall not be in any case deemed as binding. The final information will be specified when the concession dialog is over.

PPP form*

Preliminary projections envisage DBFO with transfer to the state on the beginning of the project.

Contract duration*

Contract duration is estimated at 25 years now.

Risk transfer*

The strategic partner will bear the key risks, particularly construction and service availability risks, and partly also demand risks (for commercial activities). The Central Military Hospital and the Ministry of Defense will bear the risks associated with the failure to utilize the contracted capacity to full extent.

Payment mechanism*

The Authority will pay a fixed charge for the capacity and activities agreed in advance. The operator will directly collect fees from the users as regards the selected activities and will have an income from permitted commercial activities.

Project schedule*

Year	2007				2008				2009				2010				2011			
Activities / quarter	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Preparation of Outline Business Case (OBC)	■	■	■																	
OBC approval																				
Selection of concessionaire					■	■	■	■	■	■										
Execution of Project Agreement										■										
Construction commencement												■	■	■	■	■	■	■	■	■
Operation commencement																				■

**PPP Centrum
Czech Republic**

PPP Centrum is a center for PPP implementation in the Czech Republic; it is fully owned by the Czech Republic and reports to the Ministry of Finance. PPP Centrum helps the Central Military Hospital and the Ministry of Defense with project preparation and is a member of the Steering Committee.

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