Paul Milton, as CEO of Hart Howerton San Francisco and London, advised Colony Capital, the Los Angeles owners of the Costa Smeralda land holdings consisting 6,000 acres of Mediterranean coastline, as to an entitlements strategy and market repositioning for the tourism program.

**ROLE**

21km of coastline
Urban regeneration plan for the town of Porto Cervo
Redevelopment of 4 internationally recognized hotel products
Introduction of upgraded infrastructure and traffic circulation, community amenities, retail and real estate products
Entitlements program for 380 individual residential development sites, 7 new hotel sites and a new 18 hole golf course
New retail/commercial development program for the quayside at Porto Vecchio

**STATISTICS**

Full approvals for hotel and land development secured over a 6 year regional government and national planning authority approval process

**STATUS**

Repositioning of an existing seasonal tourism destination that was not economical viable given the current operational scale, market position and brand dilution caused by 30 years of neglect, inability to unlock best and highest land use and global competition

**MISSION**

**APPROACH**

**VISION**

Re position the Costa Smeralda to become a global tourism destination, as was the case in the 1970's under the guidance of his Highness the Aga Khan

- Realise greater economic potential of land and marine environment
- Upgrade and expansion of existing bed count, enhance activities and facilities, commanding higher ADR and appeal to a broader market sector
- Build in future revenue potential through development entitlements and a land banking program to ensure long term asset protection and maximize values
Conduct necessary due diligence and determine economic feasibility to measure the vision
- A business plan and repositioning strategy created to realise best and highest use of the land
- A full financial due diligence study conducted to determine the long term viability of the project
- The economic viability of a branded versus self-managed operation analyzed the cost benefit analysis in terms of long term value

Carefully understand the market’s needs and wants, proof testing the viability model
- Best in class branding and PR company appointed to identify market demand criteria for premium tourism offering with a competitive product analysis for the Mediterranean
- Market demand criteria aligned to business plan and financial models to ensure no gaps

Developed a 10 Yr investment models, assessing exit values and defining operational trading targets to ensure positive Ebitda
- Detailed investment modelling generated to identify short, medium and long term returns to owner
- Established land values and construction values from the real estate program
- Established residual values of existing operating asset based upon the redevelopment and repositioning program
- Direct value to community identified through quantification of job creation and other downstream benefits
- Marine and land protectorate zone under negotiation to preserve the long term integrity of the natural asset

Work with local political and community leaders and agencies, private, non-profit and public sector representatives, and the global environmental and science community to create the conditions for success
- Early engagement with political leaders and governmental agencies to address development and conservation policies and author a mutually beneficial transparent partnership
- Identification of potential neighbouring partners that wish to share in a holistic vision of conservation for the region
- Integrated approach to land development and land entitlements success – top down and bottom up approach

Developed the new project identity and identified project and investment partners. Crafted private/public, non-profit partnerships
- Attract an emerging market for tourism with the development of a unique project identity that draws upon Costa Smeralda’s unique tourism assets and improving infrastructure
- Public/Private partnership through local municipality that focuses on the long term uplift of the region
- Partnerships with non-profit organisations to manage marine and terrestrial environments, ensuring the sustained protection of the asset
**DESIGN**
Select, manage and coordinate the professional design team
- Selected and contracted best in class professionals
- Defined the project vernacular, architecture, interiors and landscape
- Integrated hard and soft on site programming
- Ensured PR, Media and Sales and Marketing collateral aligned with vision and built products
- Provided master planning, full entitlement drawing submission, architecture, civil and traffic engineering, cost estimating, conservation planning and sustainable infrastructure design and specifications

**SALES & MARKETING**
Integrate a sales and marketing strategy that aligns with the vision and development positioning
- A focused marketing strategy that repositioned and rebranded the Costa Smeralda

**LEGAL**
Secure short and long term development rights
- Secured rights of concession to protect the owner’s investment risk
- Negotiated land values incorporating the vision for land and sea conservation
- Secured development rights to match the master plan for long term value enhancement

**DELIVERY**
Working with Colony Capital to prepare the project feasibility, pre and post construction schedules, entitlements, project phasing design, and construction, setting the development management protocols
- Working closely with the client financial team to oversee the creation of detailed working financial models
- Advising on an entitlements strategy that releases the highest future value for the land
- Compilation of a design and construction schedule that satisfies critical path targets and reduces losses while hotel operations are suspended
- Oversight of the design process ensuring project cost controls are in place and vision is met

**OPERATIONS**
Identify and integrate the economic, branding, marketing and technical services requirements for the purposes of self operations
- An audit of the existing operations and staff was undertaken to assess shortfalls to meet required service levels
- Worked through strategies of presenting offering to market in considered approach which aligned with vision, branding and targeted correct market sectors
- Developed an expanded human resource requirements/program
- Developed soft amenities program with on-site operations
- Developed the need for training and education programs

**BUSINESS ADVISORY**
Provide hospitality development and operations expertize, sharing this knowledge with the client executive team
- Programming, positioning and what is out there, how we can beat the competition
- Development sequence and risk management
- Feasibility and cost management
- Thought leadership, troubleshooting and resolution