REQUEST
FOR
PROPOSALS

#RFP 18-001
HOTEL DEVELOPMENT

Issue Date: 05.01.18
Deadline for Clarifications: 05.15.18
RFP Responses Due: By 4:00 p.m. (MST) 05.31.18
The Town of Bennett is pleased to present this Request for Proposals for a hotel development. The intent of this request is to find the right development partner to construct a hotel that will serve as a catalyst to enhance the sales tax and employment base of the Town by attracting and retaining commercial and industrial development.

This hotel will anchor and connect the Town’s freeway commercial area with an intentional sense of place built for hospitality and community celebration. The Town Centre Land Use Concept in the Town’s 2015 Comprehensive Master Plan represents an attractive development area for real estate developers interested in creating a distinctive service hub for the I-70 eastern corridor. The properties within the freeway commercial area are privately owned, and developers are responsible for coordinating their proposals with the individual property owners.

The Town of Bennett Board of Trustees understands that such a vision will take a concerted effort between the public sector and the right private sector developer who understands the vision spelled out in this Request for Proposals. The Board is prepared to offer incentives to create an environment within current market conditions that will create a successful project.

I encourage you to consider this proposal and to submit your responses within the timeline identified. Come and pioneer your development in Bennett.

Respectfully,

Rachel Summers
Deputy Town Administrator
INTRODUCTION
Our geographical location east of the Denver Metropolitan Area is unique to potential developers. As a travel nexus, our 25 mile commute from the eastern edge of Aurora, 20 miles east of Denver International Airport and only 10 miles from Front Range Airport, set a desirable location for hospitality developers.
WHAT MAKES BENNETT SO GREAT

COMPETITIVE LAND PRICES, MOTIVATED LAND OWNERS & SUPPORTIVE LOCAL BOARD

25,930 AVERAGE DAILY TRAFFIC COUNTS 25 MINUTES AVERAGE COMMUTE TO DENVER INTERNATIONAL AIRPORT

LAYING THE GROUND WORK FOR DEVELOPMENT $19 MILLION INVESTED IN INFRASTRUCTURE

FAST TRACK DEVELOPMENT Bennett’s property development is proving to have a competitive advantage in Colorado, sparking inquiries from a broad market of industries. Our local leaders have prioritized positive growth within our planning area, therefore we have streamlined the internal development process for fast and solution-oriented development from the time of application through ribbon cutting.

» Predictable development process with defined time frames
» Collaborative design and review process
» Easy access to staff and decision makers
» Weekly development review sessions
» Defined development costs

REGIONAL DRAW (WITHIN 35 MINUTE DRIVE)

| POPULATION | 27,182 |
| HOUSEHOLDS | 2,796 |
| AVERAGE INCOME | $70,909 |
| AVERAGE HOME VALUE | $210,243 |
| LABOR FORCE | 7,893 |

INCENTIVES FOR DEVELOPING IN BENNETT

» Economic Development Assistance Program
» Public Reimbursement Agreements
» Located in a State Enterprise Zone & Foreign Trade Zone
» Contribution Projects
» Tax Credits and Rebates

The Town of Bennett, Colorado, is uniquely positioned to capture the next wave of growth within the Denver metropolitan area.
THE INTENTION
THE INTENT

It is the intent of the Town of Bennett ("Town") via this request for proposals ("RFP") to identify the best hotel developer for our community.

This development partner will develop, finance, own, and operate a quality, nationally-branded hotel property of no less than 75 rooms on privately-owned property within the Town’s freeway commercial area. The purpose for the public request for proposal for the hotel project is to allow the Town to more effectively attract the best fit development team that will result in greater economic impact benefiting the Bennett community.

CATALYST ACTION:
PREPARE A STRATEGIC ECONOMIC DEVELOPMENT PLAN TO DETERMINE ADVANTAGES AND PRIORITIES FOR ATTRACTING A VARIETY OF NEW COMMERCIAL AND INDUSTRIAL DEVELOPMENT INTO IDENTIFIED EMPLOYMENT CENTER LOCATIONS THAT WILL MEET THE DAILY NEEDS OF AREA WORKERS.

The Town will consider submittals that propose both high-end select service hotels as well as smaller, full-service hotel properties. The Town understands and recognizes that full-service properties might require additional public incentives in order to make the project economically attractive to private sector developers. The Town is also open to receive proposals that include other commercial and/or retail development components in addition to the hotel development.
INCENTIVES

Making the Investment

While the amount and type of public participation is subject to approval by the Board of Trustees of the Town of Bennett, the Town recognizes that a successful hotel project may require public participation. The Town seeks the best value for any public incentives and is not necessarily seeking the lowest level of public participation. Furthermore, pending the Town’s comprehensive financial analysis of proposals, the Town is prepared to consider the use of our Economic Development Assistance Policy incentives, including:

A. Rebates/exemption of a portion of the Town’s Use Tax on building materials, and/or

B. Public Improvement Reimbursement Agreement (PIRA) to rebate a portion of the Local Sales and Lodging Tax generated by the new hotel, and/or

C. Rebate of Town collected property tax.

An incentive package may include assistance such as the following:

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<th>$90,000 2% Use Tax</th>
<th>$45,000 Exemption of portion of Use Tax</th>
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<td>$9,000,000 Capital investment in the freeway commercial area</td>
<td>$400,000 10 Year PIRA rebate from Hotel generated Sales &amp; Lodging Tax on public improvements made</td>
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<td>$31,000 Estimated Annual Property Tax Revenue</td>
<td>$15,000 Rebate Half of the Property Tax Revenue for 5 years</td>
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“Bennett understands that such a vision will take a concerted effort between the public sector and the right private sector developer who understands the vision.”
THE PROCESS
The Town reserves the right to modify the timeline and to issue addenda to this RFP.

A committee that will include Town representatives from multiple disciplines including Finance, Community Development/Planning, Economic Development and the Town Administration’s Office which will review proposals received by the due date. Input also may be sought from the Town’s legal counsel and/or its Economic Development Partnerships. Some or all of the proposers may be requested to present their proposals to the review committee. During the review process, proposers may be asked questions to clarify their proposals, but cannot modify their proposals.

The review committee anticipates making a recommendation as to the proposal that best meets the evaluation criteria. This recommendation will be forwarded to the Board of Trustees for consideration. At this point, the Board may select a development proposal and authorize staff to negotiate the terms of the incentive agreement(s) that will include the terms of the transaction. Part of this review may include commitments to various performance dates for items including securing financing, providing letters of intent from interested users, obtaining entitlements, commencement and completion of construction.

The review committee reserves the right to reject any or all proposals or parts of proposals, to negotiate modifications of proposals submitted, and to negotiate specific work elements with a proposer into a project of lesser or greater magnitude than described in this RFP or the proposer’s reply.
The properties within the Town’s freeway commercial area are in private ownership. A list of current property owners will be made available upon request to Rachel Summers. Proposers are encouraged to contact the property owners prior to submitting their proposals. To the extent that a proposal identifies a specific site, it is the responsibility of the proposer to obtain the property owner’s consent to submit a proposal for the specific property.

It will be the responsibility of the developer to conduct site inspections. Subject to property owner consent, staff is offering to host site visits to present the concept for design. If your Development Team would like to schedule a site inspection, please contact Rachel Summers. Please note, the site visits are not to be used to discuss and/or test specific development options nor as preliminary negotiations. A list of landowners can be found on our website or may be requested via email from Rachel Summers.

Written questions are due to the Town by May 15, 2018. Throughout the process, all clarifications and questions from potential proposers must be directed in writing via email to rsummers@bennett.co.us. All written questions and requests for clarifications will be addressed and responded to in writing on or before May 20, 2018 in the form of a written addendum. The Town’s responses will be posted on the Town’s website; however, it is the responsibility of each Proposer prior to submitting their Proposal, to ascertain whether any addenda were issued.

The negotiation process is designed to establish the terms and conditions of a possible incentive agreement. The parties will negotiate the terms of the agreement, and the circumstances in which it may be renewed, assigned or terminated. If negotiations with the selected Proposer do not result in a satisfactory agreement, the Town may formally end negotiations with the Proposer. Nothing shall prohibit the Town from determining which Proposer or Proposers, if any, it desires to negotiate with.

In reviewing proposals, the following criteria are among those that will be considered:

- The experience, financial and organizational capacity of the developer in successfully planning and completing development projects of similar type and scale, on time and within budget.
- The developer's development track record with the Town of Bennett, including any history of meeting (or not meeting) its contractual commitments to the Town, will be an important factor.
- The extent to which the proposed development meets the goals and requirements outlined in this RFP.
- The existence of committed building hotel operator prospects. Executed Letters of Intent will suffice for this requirement.
- The degree to which the proposal supports the Town’s vision with regard to design character and contributes to the public realm.
- The quality of the proposed project’s exterior design and materials and the intended application of LEED or other environmentally sustainable standards.
- The market and financial feasibility of the project, and its ability to secure necessary private funds and be started and completed in a timely manner.
- The public benefits to be provided by the development (e.g., the generation of real estate taxes, the creation or retention of jobs, the provision of housing units and/or commercial goods and services).
- The proposed hotel amenities to be provided, including swimming pool, meeting/conference rooms, restaurants, game rooms, etc.

All projects needing land use and/or construction approvals will be approved through the Town’s normal
development review processes, which may include submission of a Planned Development (PD) Plan, subdivision plat, site plan, utility plans, water demand analysis and other items.

**GENERAL PROVISIONS AND CONDITIONS**

This RFP is not an offer to contract. The provisions herein confer no rights, duties or entitlements to the Proposers or any other party.

The Town reserves the right to:
- Reject any and all proposals
- Waive any irregularities in a proposal
- Cancel, revise or extend this RFP
- Request additional information of any one, or some or all of the Proposers
- Modify the selection process set forth in this RFP upon written notification to all proposers who have not been rejected at the time of modification.
- Conduct investigations of and have discussions with those who have submitted proposals or other entities as it deems necessary or appropriate to assist in the evaluation.
THE SUBMISSION
SUBMISSION GUIDELINES

Proposers must include:

a. One (1) signed original (marked “Original”)

b. Six (6) copies plus one (1) labeled CD or memory stick of the complete Proposal

c. Submitted in one sealed package, clearly marked on the outside “#18-001 Bennett Hotel Development RFP” and addressed to:

Rachel Summers, Deputy Town Administrator
207 Muegge Way
Bennett, CO 80102

Proposals will be received until May 31, 2018 at 4:00 PM MST. Any proposal received after the stated time and date will not be considered. It shall be the sole responsibility of the proposer to have its proposal delivered to the Town for receipt on or before the stated time and date. Proposer shall be solely and strictly responsible for its timely delivery to the Town. Proposals delayed by mail, courier, or for any other reason, shall not be considered and shall not be opened.

All proposals become the property of the Town upon receipt and will not be returned to the Proposers. Selection or rejection of the proposal will not affect this right. The Town is subject to open records laws. Proposal materials will be considered public records and made available to the public in accordance with open records laws. Proprietary information must be identified. The cost of developing the proposal is entirely the responsibility of the Proposer and shall not be reimbursed, in any manner, by the Town.
SUBMISSION REQUIREMENTS

This section identifies specific information that must be submitted in your proposal. Your proposal should be organized and presented using the corresponding numbering outline:

1. WRITTEN STATEMENT OF INTEREST
   1.1. What are the key reason(s) your team is considering investing in the Bennett area?
   1.2. What are the compelling reason(s) why the Town should negotiate with your team?

2. LEAD DEVELOPER INFORMATION
   2.1. Name of primary contact person(s) for correspondence and notification purposes
      2.1.1. Name, title, address, phone, and email
   2.2. Legal name(s) of principal officer(s) and authorized representative(s) to work with Town

3. EXPERIENCE OF THE DEVELOPMENT TEAM
   3.1. Team organizational chart
      3.1.1. Development entity
      3.1.2. Management company (if identified)
      3.1.3. Architectural firm (if identified)
      3.1.4. Construction company (if identified)
      3.1.5. Financial partners (if identified)
      3.1.6. Others
   3.2. Key Team members and individual qualifications and relevant experience of each of above
   3.3. Hotels developed in the last 5 years
      3.3.1. Include name, location, and number of rooms, flag, and equity stake (if any)

4. CONCEPTUAL APPROACH TO BENNETT HOTEL PROJECT DESIGN AND DEVELOPMENT
   4.1. Statement of anticipated project concept and scope
      4.1.1. Type of hotel(s) (select service; full service; extended stay; etc.),
      4.1.2. Proposed number of keys/rooms,
      4.1.3. Meeting space (if any),
      4.1.4. Restaurants (if any),
      4.1.5. Proposed amenities,
      4.1.6. Other components of your proposed development project (if any)
         4.1.6.1. Residential
         4.1.6.2. Retail
         4.1.6.3. Office
         4.1.6.4. Other
   4.2. Selected or potential hotel franchise affiliations
   4.3. Proposed or anticipated land use plan for site(s)
   4.4. Parking plan
      4.4.1. Hotel parking needs
3.4. Hotels currently owned (name, location, number of rooms, flag)
3.5. Hotels currently managed (name, location, number of rooms, flag)
3.6. Public-private partnership (“P3”) experience (if any)
   3.6.1. Include the contact information for any municipal reference(s)
5. ESTIMATED PROJECT BUDGET

5.1. Include land costs; hard costs; soft costs; FF&E; pre-opening; site work; development fees; other costs

6. ESTIMATED HOTEL CASH FLOWS

6.1. First five (5) years of operations using the Uniform System of Accounts for Hotels

7. FINANCIAL CAPABILITY OF THE DEVELOPMENT TEAM

7.1. Conceptual financing plan, including

7.1.1. Sources and uses of funds

7.1.2. Projected amount and type of public investment

8. LEVEL OF FINANCIAL COMMITMENT BY DEVELOPMENT TEAM

8.1. What assurances (if any) can the Development Team provide to the Town that your team has the available equity and financial resources to support the investment in the project?

9. PROPOSED TIMELINE FOR DEVELOPMENT

10. PROPOSED HOTEL AMENITIES

11. CONSENT/COOPERATION OF PROPERTY OWNER

11.1 Where a specific site within the Town has been identified for a hotel, provide proof of property owner’s consent to submit the proposal. Where a specific site has not been identified, provide information about contacts made with property owners.

12. ADDITIONAL INFORMATION

11.1 Submit all other additional information which would assist the Town in the evaluation of your proposal.