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## Request for Proposal

### Market Validation and Financial Feasibility Study: Multi-Purpose Conference Center at Winchester, Virginia

Issue Date: 1/25/2013  
Proposal Due Date: 2/28/2013

Winchester Conference Center Feasibility Study  
15 N. Cameron Street  
Winchester, VA 22601  
Attention: Jim Deskins, Director of Economic Development

Phone: (540)667-1815  
Fax: (540)722-3618

[www.winchesterva.gov](http://www.winchesterva.gov)



*"To provide a safe, vibrant, sustainable community while striving to constantly improve the quality of life for our citizens and economic partners."*

The City of Winchester's Economic Development Authority is seeking the services of a qualified consulting firm (or team of firms) to prepare a market analysis and feasibility study for a multi-purpose conference center in downtown Winchester. This Request-for-Proposals (RFP) describes the study background, proposed scope of services, schedule, and submission requirements.

**As detailed later in this RFP, all proposals must be submitted to the City of Winchester's Economic Development Authority no later than...**

## **Introduction and Study Background**

### **Study Location**

The City of Winchester is an independent city located in the Shenandoah Valley in the northwest portion of the Commonwealth of Virginia. The population of the city was 26,203 according to the 2010 Census. Winchester is the county seat of Frederick County and the principal city of the Winchester, Virginia-West Virginia Metropolitan Statistical Area with a population of approximately 130,000. Winchester is home to Valley Health Systems, Shenandoah University, and the Museum of the Shenandoah Valley. Winchester is located 35 minutes west of Leesburg, VA, 70 minutes west of Washington, DC, 60 minutes north of Harrisonburg, VA, and 95 minutes southwest of Baltimore, MD.

The downtown area has been rejuvenated due to extensive rehabilitation efforts from the City of Winchester and its Economic Development Authority. Dilapidated historic properties have been redeveloped for hotel, commercial, residential, and governmental use. The Authority wishes to continue this large-scale redevelopment with the creation of a conference center catered towards the community and its surrounding urban areas.

### **City Contact**

The of Winchester's Economic Development Authority contact person for responses to questions is Jim Deskins, Director of Economic Development. All questions are to be submitted to Jim Deskins via email at [jdeskins@ci.winchester.va.us](mailto:jdeskins@ci.winchester.va.us).

### **Scope of Work**

The Economic Development Authority will evaluate submissions to this RFP and select the qualified respondent whose written proposal is determined to be the most thorough, practicable and responsive. The Authority reserves the right to interview any/all of the respondents prior to selecting a preferred respondent. The Authority shall be the sole judge as to the acceptability of the services offered. Offeror shall make their submission based on the following scope of work and all other requested information in the sections below:

- **Study Goals**
  - A comprehensive market study to validate the viability of a conference center to serve downtown Winchester and the surrounding area.
  - Determine the appropriate size of the necessary meeting rooms, food/beverage needs, facility components, and/or banquet area.

- Determine estimates for capital/development costs, the operating expenditures, net expenses, and on-going and one-time revenues for a conference center in downtown Winchester.
- **Work Elements**
  - A. Conference Center Market Validation**
    - Estimate the approximate number of events per year for utilization of the conference center by event type and the percentage occupancy associated with each event type.
    - Based upon the conference center market validation analysis, recommend the optimal footprint, size, and type of pertinent facility components needed within the facility, and food and beverage services necessary (i.e., square feet needed to support an event, etc.). This will include overall recommended square footage of the facility, parking area(s), common area grounds immediately surrounding the facility. (Pending verification of the viability of this project, the Authority would expect to retain the services of an architectural firm to assist in this task. The architectural firm will be hired independently from the Market Validation and Financial Feasibility Study described in this RFP; however, the firm selected to undertake this study may be expected to work closely with the architectural firm in the completion of this task.)
    - Based upon the market validation analysis, consider the negative and positive effects a conference center may have upon the existing facilities and activities in downtown Winchester.
    - Examine the feasibility of a conference center in downtown, including an analysis of the current market supply and utilization of conference/convention/meeting facilities. The Consultant will specifically analyze the potential impact this development would have on rates and utilization of Winchester hotels and motels in and around the downtown area and the demand for additional rooms.

## **B. Financial Feasibility Analysis**

### ***Capital Construction Analysis***

- Based upon the market validation analysis, separately project annual (each year over 20 years) revenue sources that may be available for bonding to pay for the initial capital cost of the conference center.
- Based upon the market validation analysis, separately project initial, one time revenue sources that may be available for the initial capital cost of the conference center.
- Based upon the market validation analysis, recommend the ideal location for the site which would include the capital construction and land preparation costs for a conference center based on the proposed location.

- Prepare a sources and uses statement that incorporates the revenue and bond proceeds and a detailed use of funds.
- Required components for the financing plan include but are not limited to:
  - Public sector only financing scenario identifying one or more appropriate financing packages of debt issuance, state or federal grants, tax increment financing, or any other appropriate public financing mechanisms.
- Public/Private sector financing identifying one or more scenarios that could include:
  - Public sector ownership of the land and/or center, with private sector management of the operations.
  - Public sector participation in the construction of a center that is privately owned and operated, including investment in a LLC or partnership.

### ***Operating Analysis***

- Based upon the market validation analysis, separately project annual (each year over 20 years) facility-related operating revenues for the conference center.
- Based upon the market validation analysis, separately project initial, annual (each year over 20 years) and on-going operating expenditures for the conference center.
- Prepare a net operating income statement (by year over 20 years) that incorporates the operating revenues and expenditures to arrive at a projected surplus or loss that will require a city subsidy.
- Based upon the conference center market validation analysis, recommend the optimal pricing and leasing strategy for a conference center to maximize its use and financial feasibility.

### **Consultant Selection Criteria**

Consultant proposals will be evaluated using the following criteria as a respondents' ability to successfully complete the project scope of work. Cost will not be the sole basis for selection, since it is in the Authority's best interest to retain a firm/team that has significant professional credentials.

**The Authority reserves the right to accept, reject, or negotiate any or all proposals, including the right to award the contract in whole or in part if it is deemed in the Authority's best interest.**

The merit of each submittal will be assessed using the following evaluation criteria:

1. Experience and Qualifications as evidenced by:
  - Company background and history

- Relevant experience with other projects
  - Client references
  - Project samples
2. Strength of the proposed Project Team as evidenced by:
    - Appropriateness of management personnel and technical staff proposed.
    - Organizational approach to project management including work flow, reporting and quality assurance procedures.
    - Relevant experience with other projects.
  3. Quality of the proposed approach to the scope of work as evidenced by:
    - Understanding and discussion of technical issues.
    - Methodology and technical plan of operations.
    - Project management plan and quality assurance procedures.
    - Innovation and thoughtfulness in work approach.
  4. Ability to successfully complete the project as evidenced by:
    - Understanding of task sequencing and major milestone events.
    - Adequacy of resources.
    - Ability to complete work on a timely basis and meet deadlines.
    - Efficiency in use of available study resources.
  5. Response Characteristics
    - Adherence to the required format.
    - Completeness of submittal.
  6. Proposal cost
    - Overall Budget
    - Budget Breakdown by Phase

## **RFP Submission Instructions**

- **Budget and Cost Submittals**

Proposed fees for services outlined on the RFP must be submitted in a separately sealed envelope within the submittal package. The envelope must be clearly marked with the firm's name, project title, and "Cost Sheet". The proposals will be initially reviewed without consideration to the fee.

- **Questions and Inquiries on Submittal**

All questions and inquiries must be submitted via email to receive an official answer. Interviews though may be scheduled as permitted and upon the availability of the

Director of Economic Development, but in no case less than one (1) week prior to the deadline.

- **Pre-Bid Conference**

An optional pre-bid conference call will be held on February 5<sup>th</sup> at 11 a.m. Please contact Tyler Schenck for conference call number at (540)667-2325.

- **Deadline for Submittal**

In order to be considered for funding, an original Proposal containing one (1) original authorized signature, together with seven (7) copies must be hand delivered, delivered via U.S. Postal Service, or other mail delivery service by no later than **2 P.M. (EST) on Thursday, February 28<sup>th</sup>** to the following address below:

City Hall  
15 N. Cameron Street  
Winchester, VA 22601  
Attention: Jim Deskins, Director of Economic Development  
[ideskins@ci.winchester.va.us](mailto:ideskins@ci.winchester.va.us)

Mark the outside of the submittals with the titles, "City of Winchester, VA, Downtown Conference Center Study Fee Proposal."

- **Proposal Content**

All proposals at a minimum must provide the following:

1. Firm(s) name, address(s) and telephone number(s)
2. Type of services firm(s) particularly qualified to perform
3. Names of key personnel, experience of each, and length of service with the firm(s).
4. List of completed or in progress projects of similar nature was/were the principal professional or served as a subcontract
5. Willingness and capability to meet the time requirements
6. Statement of Understanding of the Study's Intent and Related Issues
7. Total proposed consultant budget (i.e., fee) by major task broken down by staff, materials, and other study expense
8. List of similar projects or experience (references)
9. Proposed Scope of Work
10. Supply two (2) names of projects in which you presented a report that indicated the project was not feasible – if applicable

### **Insurance and other Minimum Requirements**

The following requirements are not required for submittal of the RFP, but only upon the selected Consultant to perform tasks and scope of the RFP.

### **Worker's Compensation and General Liability Insurance**

The Authority will require the selected consultant to be licensed to perform work in the Commonwealth of Virginia where applicable and necessary. The qualified consultant

shall provide worker's compensation and comprehensive general liability insurance upon notification they have been selected and prior to receiving the Notice to Proceed.

**Professional Liability Insurance**

Selected consultant shall provide Professional Liability Insurance, naming and protecting Consultant against claims for damages resulting from the Consultant's errors, omissions, or negligent acts. Such policy shall contain a limit of liability not less than one million dollars.

**Other requirements**

Submittal of E-Verify, Affidavit of Work Authorization, and I-9 Status may also be required