

City of Bozeman
Request for Qualifications (RFQ) for the Construction of a
Full-Service Hotel with Meeting Facilities In
Downtown Bozeman, Montana

“In some ways it is surprising that a community of Bozeman’s stature does not already have a small 50-80 room, ‘four star’ hotel. The university, the hospital, and other corporate entities report that such a hotel is needed for many types of visitors.”¹

Section 1

DEVELOPMENT OPPORTUNITY

Thank you for your interest in the development of a full-service hotel with meeting facilities in the heart of downtown Bozeman, Montana, gateway to Yellowstone National Park. The property development opportunity is to design, build and operate a full-service hotel with meeting facilities to attract more downtown patrons and high quality events and help the City of Bozeman (the City) maintain strong tourism, entertainment, cultural and professional events industries. The project must be consistent with all City plans that relate to its historic downtown core and dynamic Central Business District including but not limited to the stated goals of the Bozeman City Commission, the [Downtown Bozeman Improvement Plan](#), [Bozeman Community Plan](#) and the [Economic Development Plan](#).

Section 2

WHY BOZEMAN?

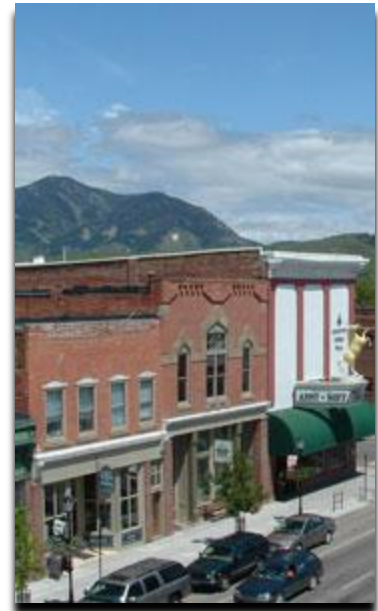
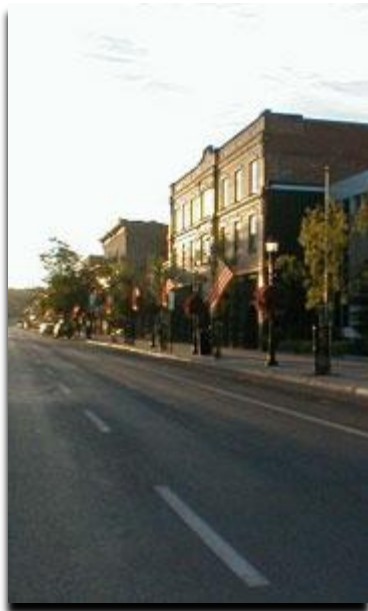
Located in the heart of the Rocky Mountains, Bozeman is truly a remarkable community. The City of 38,000 people serves a region of 90,000+ residents with backgrounds and cultures as diverse as the Montana landscape. From cattle ranchers to high tech entrepreneurs, the area is home to a breed of people who have come to appreciate an unmatched quality of life. While retaining its small town feel, Bozeman prides itself on offering a wide array of cultural amenities with an abundance of outdoor recreational opportunities. It’s easy to understand why Bozeman consistently ranks as one of America’s most livable cities.

The Gallatin Valley is one of the fastest-growing areas in the northern Rocky Mountains. [Bozeman](#) is the regional trade, education and medical center of southwest Montana and consistently attracts top-tier business, medical, retail, cultural, and educational opportunities

¹ *Downtown Bozeman Improvement Plan*, page 37.

through innovation, collaboration, and focused effort. Bozeman is well positioned as a competitive, attractive and inspiring location to conduct business, live, visit, recreate or earn a degree.

Bozeman is home to [Montana State University](#), a thriving research university. The Carnegie Foundation for the Advancement of Teaching recognizes MSU as one of 96 research universities with “very high research activity.” MSU enrollment numbers for the fall of 2011 total 12,188 undergraduate students and 1,965 graduate students. Through competitively awarded grants and contracts, MSU accounted for \$109,481,694 in research expenditures between 2009 and 2010. MSU provides a well educated workforce and strong technology transfer program that attract, retain and support higher paying jobs in southwest Montana. Additionally, Gallatin College Programs (GCP) offers 2 year associate degrees and 1 year certificate programs further improving and diversifying our workforce. In 2011, Gallatin College Programs recorded an enrollment of approximately 200 students. Each year, both MSU and GCP enrollments continue to expand.



Considered the “Gateway to Yellowstone National Park” Bozeman hosts over one million visitors each year. Three world class ski resorts, Bridger Bowl, Big Sky, and Moonlight Basin are only minutes away. Many visitors travelling east to west arrive in Bozeman via Interstate 90 which is less than 2 minutes from Downtown. Many others arrive via the recently expanded [Bozeman Yellowstone International Airport](#). Our airport recorded its busiest year ever in 2011 with 397,822 passengers boarding flights. This represents an 8.9 percent increase over 2010 and approximately 32,600 more passengers than the previous record set in 2010. Bozeman Yellowstone Airport and local private business interests are pursuing the establishment of an on-site U.S. Customs agent for international passenger arrivals and departures. In 2011, a newly constructed concourse addition allows expanded service to six airlines including Alaska, Allegiant, Delta, Frontier, Horizon and United Airlines. The Bozeman Yellowstone Airport averages 20 flights per day including many non-stop connections to major hubs including

Atlanta (seasonal), Chicago, Denver, Los Angeles (seasonal), Las Vegas, Minneapolis, New York (seasonal), Phoenix, Portland (seasonal), Salt Lake City, San Francisco (seasonal), and Seattle. Additionally, two private jet centers provide an array of services to private jet owners, pilots and passengers.

Over the years, Bozeman is fortunate to be included on a variety of “Best Of” lists. Policom, an economic research firm, ranked Bozeman as the seventh strongest micropolitan economy in 2011 out of 576 small cities studied throughout the United States. Additional recognitions include:²

1. “Where to Live and Play Now:” *National Geographic Adventure* recommended Bozeman as a good place to raise children for the reasons of safety, exposure to culture, and outdoor amenities. October, 2009.
2. “The Union of Town and Gown:” *Entrepreneur Magazine* highlighted colleges that are working with their cities to foster a local entrepreneurial spirit that will develop the economy and encourage business-savvy students to stick around post-graduation. Bozeman ranked #6 on this list. October, 2009.
3. “Happiest States of 2009: The List:” *LiveScience* ranked Montana #3 behind Hawaii and Utah where the index included questions about six areas of well-being, including overall evaluation of resident’s lives, emotional health, physical health, healthy behaviors and job satisfaction. February, 2010.
4. “Best Towns 2010 – Best for Skiing (West):” *Outside* magazine featured the top 25 towns in America for cycling, paddling, running, surfing, skiing, and – because you might want everything – all of the above. Bozeman received these accolades for having two ski areas and 350 inches of annual snowfall. August, 2010.
5. “10 Best Affordable Mountain Towns for Retirement:” According to *U.S. News & World Report*, Bozeman fits the bill of offering access to plenty of skiing, trails, and wildlife, while still providing affordable housing and a reasonable cost of living in addition to other retiree-friendly characteristics, such as access to healthcare and a low crime rate. July, 2010.
6. “Bozeman named #1 town to live (if you’re a skier):” According to *Powder* magazine, “Bozeman is the perfect mix of ski town and ski-tropolis; it’s more affordable than Jackson Hole, less crowded than Salt Lake City, and more of a real town than Whistler.” November, 2010.
7. “Top Retirement Town:” Bozeman was profiled in *Where to Retire* magazine’s November/December issue for possessing many qualities important to today’s retirees. October, 2010.

² This list was excerpted from Robyn Erlenbush’s article “Twelve Reasons to Live in Big Sky Country” appearing in the *Bozeman Daily Chronicle’s* Business2Business publication on January 11, 2011.

One of the area's top outdoor recreational activities is trout fishing in our world class rivers and streams. The region has 82 miles of "blue ribbon" trout fishing streams and rivers including the nearby Yellowstone, Boulder, Madison, and Gallatin rivers and is surrounded by thousands of acres of national forest and other public lands. Bozeman is also distinguished by its thriving and vibrant downtown food, culture, arts, and entertainment scenes. The Bozeman community strongly supports our excellent K-12 school systems which are important to our well-educated community and workforce.

Bozeman is the regional hub for retail and commerce, education, healthcare, tourism, manufacturing and innovation. Bozeman is home to notable, one-of-a-kind, worldwide organizations such as Oracle (formerly Right Now Technologies), Zoot Enterprises, Schedulicity.com, Simms Fishing Products, Mystery Ranch Backpacks, West Paw Design, Sitka, LigoCyte Pharmaceuticals, Bacterin International, Scientific Materials, BioScience Laboratories, Foundant Technologies, Bridger Photonics, ILX Lightwave, and Lattice Materials, to name but a few.

Section 3

DEVELOPMENT SITE INFORMATION

The 26,600 square foot proposed hotel site is located on real property owned by the City known as the Carnegie parcel (lots 17-A, 18, 19, 20, 21, and 22 of Block E of the Original Townsite of Bozeman, Montana) located at 106 East Mendenhall Street (see the blue polygon on the map below).

Details related to the zoning and development capacity of the site area are summarized in the City's Unified Development Code or [UDC](#).



Section 4

PREFERRED QUALIFICATIONS

The City is interested in working with a development entity who is experienced in the development and operation of a full-service hotel with meeting facilities. The City will work closely with the developer regarding site design and development. To that end, the City is soliciting Statements of Qualifications (SOQ) from a limited list of interested parties. Following review, one or more firms may be selected to submit a more detailed proposal including concept design drawings, financial projections, and the financial terms for the purchase or lease of the land. Design guidelines for the Downtown area, of which the hotel site is a part, are provided in the [Downtown Bozeman Improvement Plan](#) and the [Design Guidelines for the Neighborhood Conservation Overlay](#). The guiding design principles for this area are summarized as follows:

1. Reinforce the [Downtown Bozeman Improvement Plan](#), [Bozeman Community Plan](#), the City's [Economic Development Plan](#), and the City Commission's 2012 - 2013 Work Plan;
2. Respect history and community landmarks;

3. Promote high standards of street design with active streetscapes and visually permeable street level facades;
4. Create a vibrant edge to the street with strong building character and proximity to the sidewalk;
5. Maintain and extend historic streetscape elements as specified in the “Downtown Business Improvement District Streetscape Plan”; and
6. Maintain and extend the traditional building form, massing, and traditional materials as seen in the surrounding commercial district; the building may express traditional form and massing while using a current architectural vocabulary.

Section 5

STATEMENT OF QUALIFICATIONS

The City requests a qualifications statement that expresses your entity's interest, vision and capability to develop and operate a full-service hotel with meeting facilities in downtown Bozeman, Montana. We are specifically seeking the following materials:

1. **Your Firm’s Specialty.** Provide a narrative that details whether your firm develops, or develops and operates full-service hotels with meeting facilities. Please identify the firm's specialization. If teams are proposed that would separately undertake the development and operating responsibilities, please provide information for each team member;
2. **Vision and Development Program Summary.** Identify your vision for a full-service hotel with meeting facilities and describe how constructing and operating such a facility on the Carnegie parcels would fit into your firm's overall business strategy. Translate your vision into a development program that identifies the type and quality level of a downtown, full-service hotel with meeting facilities, as well as the lodging market this facility would service. Also, please detail ancillary uses, i.e. restaurant, retail, and/or spa uses your firm, or another entity, would develop onsite in conjunction with a hotel;
3. **Operations.** Identify anticipated hotel operators for the hospitality venue. Also identify other proposed operators for all ancillary uses. Illustrate the brand promise, marketing program and reservation system that is unique to the hotel operator;
4. **Experience.** Include a detailed resume for your firm (or if a team, for each participating firm) citing specific experience with developing/operating a full-service hotel with meeting facilities in a downtown. Identify other projects your firm has developed and/or operates including the host community, size, ancillary uses, and quality level. Also provide information regarding your firm (if a development team include each firm on the team) that identifies length of time in business, ownership structure, operating structure, principal offices, and the office that would service this project. Further, identify the

project manager and personnel that would be assigned to this project including their level of experience and responsibility;

5. **Financial Capability.** Identify the firm's or team's capacity to secure the equity and financing required to implement the proposed development program. Please disclose if your firm has ever defaulted on its financial obligations, has had developments that were foreclosed upon, or if bankruptcy has ever been filed; and
6. **Implementation Time Frame.** Outline the time period your firm proposes to initiate site and development program planning activities upon signing an exclusive negotiation agreement with the City. Discuss your firm's ability to initiate construction activities within 12 months after executing a disposition and development agreement.

Section 6

SELECTION CRITERIA

The following criteria will be used to evaluate the qualifications statement submittals:

1. The development program should feature a full-service, whole ownership, high quality hotel with dedicated meeting facilities and appropriate ancillary uses;
2. The development entity must demonstrate experience with designing, building, and operating full-service hotels with meeting facilities. Experience entails at least three or more properties;
3. The development entity must demonstrate that it has access to sufficient capital to underwrite all construction costs and at least one year of maintenance and operating costs; and
4. The development entity must demonstrate that it is ready to initiate site and development program planning activities upon signing an exclusive negotiation agreement, and that it will commence construction activities within 12 months after executing a disposition and development agreement.

Section 7

EVALUATION PROCESS

THE CITY RESERVES THE RIGHT TO REJECT ANY OR ALL SUBMITTALS AT ITS SOLE AND ABSOLUTE DISCRETION.

The City will designate a preliminary review panel (the panel) to evaluate all submittals received in response to this RFQ. Within 30 days of the submittal deadline, the panel will assess respondent qualifications based on the evaluation criteria described in **Section 6**, above. Panel

members will score each proposal in their own preferred order. The scores assigned by each Panel member will be based on the individual member's reasonable judgment as to the degree to which the proposal complies with the criteria and intent of the RFQ process.

Members of the Panel and other City staff may contact references and industry sources, investigate previous projects and current commitments, and interview some or all of the development team.

Within 60 days of the submittal deadline interviews may be scheduled for firms or teams which have been found to be the most responsive to the RFQ. Following review, one or more firms may be selected to submit a more detailed proposal including concept design drawings, financial projections, and the financial terms for the purchase or lease of the Carnegie Parcels. Within 90 days of the submittal deadline the panel may then recommend to the City Commission that one firm be considered for an exclusive negotiation agreement for the Carnegie Parcels.

Section 8

SUBMITTAL REQUIREMENTS

This request for qualifications remains open until filled. Please send submittals to the attention of:

Carnegie Parcels RFQ
Bozeman City Clerk
121 North Rouse Ave
P.O. Box 1230
Bozeman, MT 59771

Submissions must be in the actual possession of the Office of the Bozeman City Clerk on or prior to **Friday, April 13, 2012, by 5:00pm**, Mountain Time.

Late submissions will not be considered. Submissions must be provided in a sealed package with the statement **Carnegie Parcels RFQ** and the prime contact name and address clearly labeled on the front of the package. **Please submit two (2) complete paper copies and two (2) complete digital copies on CD-ROM or flash drive of the proposal. PDF digital file formats are preferred.**

Section 9

INQUIRIES

All questions regarding the Carnegie Parcels RFQ shall be in writing via parcel post or e-mail and directed to:

Brit Fontenot

Director of Economic Development
and Community Relations
P.O. Box 1230
City of Bozeman, Montana
406-582-2258
bfontenot@bozeman.net

Written questions and responses will be published on the City's webpage at
[http://www.bozeman.net/Departments-\(1\)/Administration/Commission/BID---RFQ---RFQ](http://www.bozeman.net/Departments-(1)/Administration/Commission/BID---RFQ---RFQ).

Section 10

RESERVATION OF RIGHTS BY CITY OF BOZEMAN

The issuance of this RFQ and the acceptance of a submittal do not constitute an agreement by the City that any contract will actually be entered into by the City. Any costs incurred by respondents in preparation of a response to this RFQ or future RFP are completely the responsibility of the respondents. Any or all disputes arising under this RFQ and any contract negotiated as a result of this RFQ shall be governed by the laws of the State of Montana. **The City reserves the right to issue written notice of any changes in the submittal process should the City determine, in its sole and absolute discretion, that such changes are necessary or desirable.**

In addition and notwithstanding any other provision of the RFQ, the City reserves the right to:

1. Waive any immaterial defect or informality in a submittal;
2. Extend or otherwise revise the submittal date;
3. Reject any or all submissions or portions thereof;
4. Cancel this RFQ at any time;
5. Reissue a new or revised RFQ; and
6. Request additional information or one or more teams to submit a more detailed submittal.

Section 11

SUBMITTAL REJECTION/RIGHT TO DISQUALIFY

Submittal of terms, condition and/or agreements may result in rejection if such terms, conditions, or agreements are deemed unacceptable by the City in its sole discretion. The City reserves the right to disqualify any team who fails to provide information or data specifically requested herein or who provides materially inaccurate or misleading information or data or who attempts to

influence the selection process outside the procedures established herein. The City reserves the right to disqualify any team on the basis of any real or apparent conflict of interest. This disqualification is at the sole discretion of the City.

Section 12

CITY OF BOZEMAN'S ANTI-DISCRIMINATION POLICY

Each entity submitting under this notice shall include a provision wherein the submitting entity, or entities, affirms in writing it will not discriminate on the basis of race, color, religion, creed, sex, age, marital status, national origin, or because of actual or perceived sexual orientation, gender identity, or disability in fulfillment of this RFQ, the RFP, if selected, or in the development and operations of a hotel if a contract is entered into for such purposes and that this prohibition on discrimination shall apply to the hiring and treatment of the submitting entity's employees and to all subcontracts.

Failure to comply with the above shall be cause for the City to deem the submittal non-responsive.

This solicitation does not require the City to award a contract, to pay any cost incurred with the preparation of a qualifications statement, or to procure or contract for services or supplies. The City reserves the right to accept or reject any submittals received in response to this request, to negotiate with any qualified source, or cancel in whole or part this process if it is in the best interest of the City. Prior to negotiations, prospective entities may be required to submit revisions to their qualifications statements. All proposers should note that any contract pursuant to this solicitation is dependent upon the recommendation of the City staff and the approval of the City Commission.

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END OF RFQ