



REQUEST FOR PROPOSALS

Downtown Hotels Initiative

Addendum A

This addendum is for the purpose of expanding the information contained in the issued Request for Proposals.

The COA reserved, and continues to reserve, the right to revise any part of the request issued and any addenda by issuing additional addenda at any time prior to award. Issuance of this or any modification order in no way constitutes a commitment by the COA to award a contract. The COA reserves the right to accept or reject, in whole or part, all Qualification Statements and proposals submitted and/or cancel this announcement if it is determined to be in the COA's best interest. All materials submitted in this response become the property of the COA and selection or rejection of a submittal does not affect this right. The COA also reserves the right, at its sole discretion, to waive administrative informalities contained in any future request.

SCOPE AND OBSTACLES

The **City of Alexandria (COA)** issued a **Request for Proposals (RFP)** relative to a large-scale economic development partnering project, potentially under the S.P.A.R.C. program or as a direct initiative with the COA or its partners in economic development.

- **The City does not own the Hotel Bentley.**

- **The City owns part of, and essential assets in and around, the Alexander Fulton, and is a necessary party to any agreement to use that property. The City has a pending claim for ownership of the Alexander Fulton.**

Additional obstacles are: (i) the pending bankruptcy of the Fulton and the avoidance of prejudicing other creditors, (ii) the related issues with funding needed improvements to the hotel while the bankruptcy is pending (such as capital needs and improvements to the privately-owned lodge tower), and (iii) costs to operate the hotel for the period at least until September 30, 2009, with no interruption in continuity of operations.

- **The City owns in its entirety the Alexandria Riverfront Center.**

The COA seeks to identify a highly capable development team(s) to incorporate, at a minimum, use of the Alexandria Riverfront Convention Center and Alexander Fulton Hotel into a master site plan with the historic Hotel Bentley. Further, the plans should incorporate the master site into the larger redevelopment plans of the COA, most particularly the S.P.A.R.C. initiative. Upon recommendation from the staff assigned to the Working Committee on Downtown Hotel Solutions and Mixed Use Options and eventually the Alexandria City Council, the winning team will enter into a Memorandum of Understanding (MOU) and begin negotiation of related agreements for the services selected and agreed upon by the COA. The selected team will be required to perform all duties as agreed upon in the MOU and follow all procedures of the City and the State of Louisiana.

COMPETITIVE PROCESS AND PRIVATE CONTRIBUTION

In all cases, this process will require requests for proposals from other consortia and potential investors to determine the best fit in a competitive process.

At this time, the COA wishes to proceed with serious proposals indicated by the letters of intent and stakeholder information on file.

SPECIFIC INCENTIVES AND TEMPLATE FOR COOPERATIVE ENDEAVOR

At this time, you should be able to supplement your letter of intent with a more detailed memorandum setting forth basic terms and conditions for partnering and reciprocal obligations within fifteen (15) days of your receipt of this addendum.

When permitted by state law, and in compliance with the tests for proportionality set forth by Alexandria cooperative economic development policy and La.Const. art. VII, § 14, the costs of an economic development project incurred by an authorized entity (i.e.,

the awarded consortium in the S.P.A.R.C. program or the COA) may include the sum total of all reasonable or necessary costs incurred incidental to or in furtherance of an economic development project. An economic development project can be a large-scale address of problems or a single project, although the latter will generally not receive as many points unless it is singularly important or key to overall development. The project(s) is/are subject to an approved economic development plan.

(See the separate amplifications of this addendum provided by memorandum dated June 15, 2009, regarding competitive process, private partnering, specific incentives, and a template for cooperative endeavors.)

MISCELLANEOUS PROVISIONS

Questions

Questions regarding this process shall be submitted to the City of Alexandria at:

Kay Michiels
Operations Chief and Planning Director
915 Third Street
Alexandria, Louisiana 71301
(318) 449-5009
kay.michiels@cityofalex.com

Preparation Costs

This document is not an award. The COA is not be responsible for costs associated with preparing the submission by you, or for costs including attorney fees associated with any challenge (administrative, judicial or otherwise) to the determination of the highest-ranked Applicant, MOU party, and/or awarded contract and/or rejection of qualification. By submitting an application to the COA, each consortium or developer agrees to be bound in this respect and waives all claims to such costs and fees. This shall not waive or negate the right of S.P.A.R.C. or G.A.E.D.A. or the COA to award retroactively costs or preparation investment.

Global Proposals Sought

While a global proposal is not required, and each hotel may be the subject of a partial proposal, the City will actively consider proposals encompassing both hotels and the convention spaces with the greatest weight being given to global proposals. A proposal will be based on a cost-benefit analysis that will weigh scope, timing, financial costs and risks, revenue generation, design and lifestyle amenities and level of quality and creativity.

REGARDING PHASE I

You have submitted letters of intent or are a critical stakeholder if you are receiving this document.

The COA now seeks to declare a plan of action consistent with the aims of the COA and the preliminary **Certificate of Appropriateness and Need (COAN)**; thereafter, the Administration will begin determining which applications comply with this request for submissions to the City Council.

You should begin to submit how consortia plans address the stated needs. You may, and should, submit findings or market analysis which may aid it in determining capacity needs for the convention and visitor's market.

IMPORTANTLY, THE COA STRESSES THAT THERE IS NO REQUIREMENT THAT YOU MANAGE OR HAVE EXPERIENCE IN MANAGING THE ALEXANDRIA RIVERFRONT CENTER, CURRENTLY MANAGED BY THE CONVENTION AND VISITOR'S BUREAU. IT IS AN OPTION BUT IS NOT A REQUIREMENT.

You should begin formulating the following items:

Preliminary Address of Phase I considerations as listed in the RFP

-or-

Conceptualization of your own Phase I considerations to the COA

Define project elements and work through decision-making process in formulation of an MOU to define cooperative endeavors and implementation models, including clearly defined sections in your proposal organized as:

**Preliminary and Phase II Plans
Master Site Planning
Implementation Strategies
Project Management
Project Capitalization
Project Community Buy-In
Project Partnering
Construction Monitoring/Inspection
Hotel/Convention Center Management**

The City notes any eventual recommendation by the City is envisioned to fall under one of the following scenarios:

1. Selection of a team to develop a Hotel master site plan
2. Selection of a team for development of a single Hotel and other related development(s).
3. Selection of elements of different proposals
4. Selection of part of a proposal

Although proposals are expected to range in scope and scale, proposals will be judged and compared against each other by the City according to the listed criteria to achieve the best economic proposal that achieves the larger redevelopment goals of the City.

The best economic proposal is not necessarily the largest, nor the proposal with the least amount of public investment; rather, it is the proposal that best leverages public and private resources to maximize the opportunity of the site and builds upon other existing and future developments in the Downtown area. Proposals are encouraged to interact with other property owners and applicants to achieve these goals.