

REQUEST FOR STATEMENT OF QUALIFICATIONS (RFQ)

**TO PROVIDE CONSULTING SERVICES FOR A
HOTEL/CONFERENCE CENTER MARKET STUDY**



SOLICITED BY:

**City of Goleta
Redevelopment Agency
130 Cremona Drive, Suite B
Goleta, CA 93117
Contact: Jaime Valdez, Sr. Mangement Analyst
(805) 961-7568 or jvaldez@cityofgoleta.org**

July 8, 2010

THE STUDY:

The study for which Statements of Qualifications (SOQs) are being solicited involves preparation of a hotel/conference center market study (HCCMS). The purpose of this RFQ is to identify qualified market research consulting teams specializing in hotel and conference center demand forecasts for the preparation of a HCCMS for the City of Goleta (City).

It is expected that the selected firm will prepare a HCCMS (Study) that analyzes potential market demand for hotel/conference center space in the immediate vicinity, as well as a site-specific analysis of a 12.4-acre site (referred to in the City's Revitalization Plan as Key Site #6) currently zoned as visitor-serving commercial which permits hotel and conference center use on the property within the City. The selected consultants will have demonstrated experience in preparation of HCCMSs and site-specific feasibility analyses within the past ten years of comparable scope to the subject of this RFQ. This RFQ was prepared to solicit responses from qualified consulting firms that desire to be considered for this important Study.

THE OPPORTUNITY:

The City is seeking SOQs from professional firms or coordinated consultant teams to provide hotel/conference center consulting services associated with the preparation and completion of the above-described Study for the City.

Of particular concern is the question of whether or not sufficient conference center/meeting/banquet space exists in the immediate region especially when considering the sizeable plans for anticipated growth at UCSB (Long Range Development Plan) and measured growth in the other surrounding communities—including the City's (Adopted General Plan). As outlined in the perceived scope of services below, the City expects the Study would be designed to help better understand and address the potential market for additional conference center/meeting/banquet space in the region—especially as it relates to the City.

The City envisions the Consultant will conduct a preliminary market opportunity analysis for a potential hotel and conference center. As part of the analysis, the City expects to attain data on the recommended achievable operating revenue potential based on the supply and demand conditions in the market, identify and quantify the types of demand drivers supporting new room demand and conference center/meeting space/banquet use, establish the underlying land value of a hotel/conference center based either on a residual analysis or a survey of comparable hotel sales, and ultimately conclude on the feasibility of the proposed development.

The Scope of Services may include, but are not limited to, the following:

Step I – Hotel/Conference Center Feasibility Analysis

1. Participate in a kickoff meeting with the City team, visit the Key Site #6 (KS #6) and other potential locations and evaluate these with respect to locational factors, visibility, access and surrounding land uses within the community, with specific focus on the market potential for hotel/conference center development.

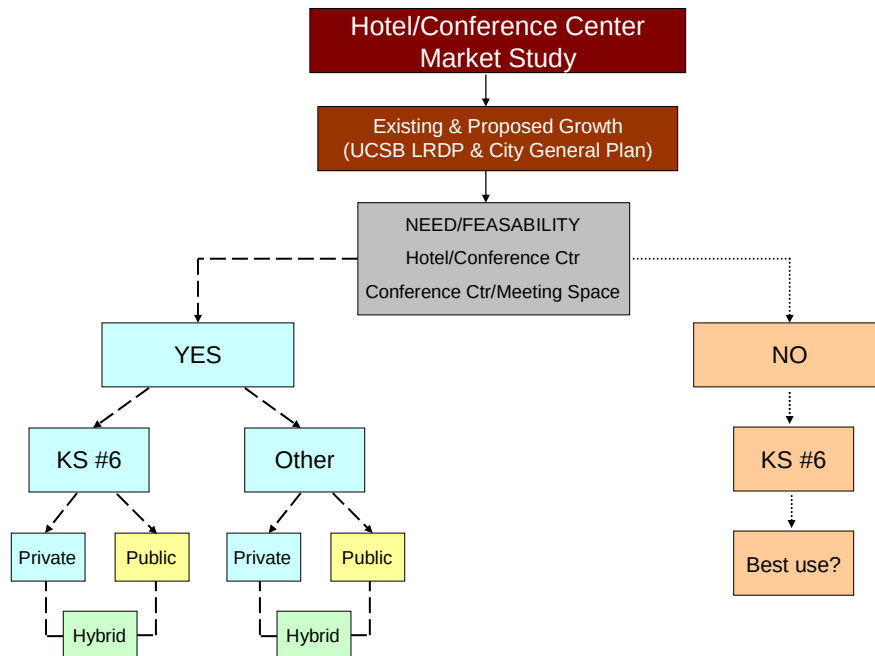
2. Gather relevant demographic and socioeconomic data and analyze them relative to demand for stays at hotels and conference center usage. Such data will include population, age/income distribution, employment trends, propensity for travel/visitation, convention activity, etc.
3. Evaluate hotel and meeting space supply conditions in the market area and analyze them relative to the opportunity for hotel/conference center development. Macro supply trends to be analyzed include inventory, completions, rack rates, occupancies, revenue per available room and transient tax dollars (as available from the City and/or other sources). Additionally, survey the characteristics of key hotel/conference center projects, as well as identify any planned or proposed hotel properties in the market area. A meeting with local stakeholders may be required.
4. Perform a leakage analysis to fundamentally understand demand and tapping into neighboring areas with regard to the hotel/motel and conference center/meeting space sectors. Calculate the degree of surplus or leakage of hospitality dollars within specific sectors for the local visitor-serving area. This analysis would help to identify the strengths and weaknesses of the hospitality sector within the community by illustrating where consumers are spending their money within the region.
5. Based on the steps above, conclude on hotel performance in the market area and the opportunity for hotel/conference center development at KS #6 and/or up to three other potential locations identified by the selected Consultant and City Staff following the initial tour of the study area. This step would include market-driven recommendations relative to the feasibility of the hotel/conference center (both in the current market environment and also at market normalization), and an evaluation of the underlying land value based on residual analysis and/or comparable hotel sales in the market area.
6. Additionally the City would like to see discussion of a public vs. private model evaluation and collection of data from other entities around the western US of public conference sites and corresponding demographics, financial models and uses, and how that may or may not be feasible for the City.
7. Conduct a working session with the City of Goleta team to review the results of the market analysis. This discussion would be supported by an exhibit package of tables, graphs, maps, etc., as necessary.
8. Following the working session and incorporating its discussions, prepare a detailed report explaining the results of the analysis of hotel room and conference center space demand for the City as a whole and whether KS #6 and/or other potential locations would be feasible as a site for a new/future hotel/conference facility or some visitor-serving facility to satisfy meeting space/banquet needs.

Step II – Alternative Development Scenario(s)

9. If the proposed hotel/conference center is deemed infeasible based on the results of Step I, conduct a more detailed “Highest & Best Use” analysis relative to KS #6. Development scenarios to be analyzed could potentially include office, business park, light industrial/flex uses, etc. The objective of this analysis would be to identify the optimal market-driven program for KS #6.

The selected consultant shall be prepared to provide the entire scope of services listed above. The City will not accept SOQs from firms interested in performing a single function of the Scope of Services. Firms with a background in only one area of expertise should form a partnership with other firm(s) and submit a single, coordinated SOQ as a team, with one firm identified as the lead Consultant, and others listed as Sub-consultants.

The scope of work will be finalized jointly by the City and the selected Consultant during contract negotiations and incorporated into the final Professional Services Agreement (PSA). The selected consultant or consultant team shall meet the criteria described herein and the best qualified firm/team for this particular Study will be selected by an evaluation committee comprised of representatives from the City. The flowchart below is intended to visually summarize the Study’s scope of services.



BACKGROUND:

Incorporated on February 1, 2002, the City of Goleta is located on the central coast of California just west of Santa Barbara, has a strong entrepreneurial spirit and a long history and development of high-tech, defense, and medical product industries. With a current population of approximately 30,000, Goleta is the fourth largest city in the County and its Adopted General Plan allows for a build out population of approximately 38,100 by 2030.

Moreover, the City has several unique features: proximity to a major research university and economic engine – University of California at Santa Barbara (UCSB), a regional shopping center, a major transportation corridor – US 101 Freeway, and is adjacent to major tourist destinations. Goleta's strong and diverse corporate base, a soon-to-be-completed seismic retrofit and upgrade to the local hospital, and adjacency to the region's premiere airport also contribute to the need for visitor-serving uses such as hotels/motels and meeting space/banquet facilities.

The City currently enjoys a wide scale of hotel and motel product types. The table below broadly outlines the existing (in operation) and future (approved) inventory of hotels/motels located in the City. Pricing and descriptions are generic and for illustrative purposes.

Name	Status	Type	Price
Bacara Resorts	Existing	Upscale Resort	\$\$\$\$
Best Western South Coast	Existing	Mid-level	\$\$-\$\$\$
Hampton Inn	Existing	Mid-level	\$\$-\$\$\$
Holiday Inn	Existing	Mid-level	\$\$-\$\$\$
Pacifica Suites	Existing	Mid-level	\$\$-\$\$\$
Motel 6	Existing	Basic	\$
Super 8	Existing	Basic	\$
Camino Real	Approved	Boutique	\$\$-\$\$\$
Marriott Residence Inn	Approved	Mid-level	\$\$-\$\$\$
Rincon Palms	Approved	Mid-level	\$\$-\$\$\$

The City of Goleta's project manager who will serve as the point of contact for all issues related to the professional services contract resulting from this RFQ is Jaime Valdez. Please contact Mr. Valdez at jvaldez@cityofgoleta.org or at **(805) 961-7568** if you have any questions.

CONSULTANT MINIMUM QUALIFICATIONS:

To be considered for the Study, Consultants must meet the following minimum requirements:

1. Have the ability to demonstrate that Consultant meets or exceeds the City's requirements for general liability, professional liability, and automobile insurance, and a copy of a valid insurance certificate and proof of adequate worker's compensation coverage for employees.
2. Certify that neither Consultant, nor any officer or principal of Consultant, has or shall acquire during the performance of services described in this RFQ any interest, directly or indirectly, which would conflict in any manner with the interests of the City or which would in any way hinder Consultant's performance of services described in this RFQ. Certify that in the performance of the services described, no person having any such interest shall be employed by Consultant as an officer, employee, agent or subcontractor without the express written consent of the City. Certify that at all times Consultant shall avoid conflicts of interest or the appearance of any conflicts of interest with the interests of the City in the performance of services described in this RFQ.

3. Have provided hotel/conference center analytic services for at least three (3) studies completed for public agencies, similar in scope to the Study covered by this RFQ, with budgets in the range of \$20,000 and above, since 2000. Qualified studies include stand alone hotels, conference centers and/or combined hotel/conference center facilities.
4. Have the ability to provide staffing and resources necessary to meet the schedules and needs of this Study.
5. Have the ability to assign a designated project manager to this Study. The manager must have at least five years experience managing both the design and preparation phases of studies for public agencies, and at least one of the studies must have had a budget of greater than \$20,000.
6. Have the ability to demonstrate that its staff has the market opportunity analytics, hospitality demand assessment capabilities, site-specific feasibility investigations and other project management skills and resources required for the design and preparation of this Study.
7. The selected Consultant must be available to begin working on this Study within one month after issuance of the Notice to Proceed. Any proposed changes in team members after the contract has been signed will require written approval by the City.
8. The Consultant's designated project manager must be able to demonstrate how they will provide all of the professional services outlined in the scope. Due to the need for very close coordination with the City throughout this Study, it is important to demonstrate how required services will be accomplished. The Consultant's designated project manager shall not delegate his or her duty as primary point of contact with the City without written approval by the City.
9. Should the firm be selected to participate in an interview, the Consultant's designated project manager must present the firm's qualifications to the City and take the lead in answering questions.

SOQ CONTENT AND FORMAT:

SOQs shall be limited to thirty (30) double-sided pages (8 ½ inches by 11 inches), inclusive of everything except dividers, front and back covers, table of contents and client references. Font size shall not be less than 11 pt. The proposal shall be prefaced with a cover letter which must include a commitment to promptly start the work when requested after the contract is awarded. Further it should identify a person, including their title, mailing address, telephone number, fax number, and e-mail address to whom all further correspondence and/or questions should be addressed. The letter shall be signed by an individual with the authority to bind the applicant to providing the proposed services.

The body of the proposal shall include the following minimum information and be organized with tabs reflecting the following sections:

1. **Background Information:**
 - Legal name, address, and telephone and fax numbers of the principal office (national headquarters, if applicable) and local office. If services will be provided from additional locations, provide information for these sites as well.
 - Year established.
 - Type of organization (partnership, corporation, etc.).
 - Name, title, address, telephone and fax number, and e-mail address of the person to whom correspondence should be directed.
 - Description of the Scope of Services usually provided.
 - Description of any pending litigation or litigation that was settled in the past three years.
2. **General Qualifications:** Describe the qualifications, experience and capabilities of the firm in providing the type of consulting services being request by this RFQ.
3. **Hotel/Conference Center Study Experience:** Describe the firm's experience working on hotel/conference center studies. Describe any relevant experience with public agency clients.
4. **Specific Qualifications:**
 - Provide the technical qualifications and attach resumes of the lead staff that will be assigned to this Study.
 - Detail exactly how the firm, designated project manager and sub-consultant(s) meet the minimum qualifications listed above.
 - Explain how the firm, designated project manager, other staff and sub-consultant(s) exceed the minimum qualifications listed above, and are best qualified to provide consulting services for this Study.
 - Describe your proposed organizational approach and include an organizational chart showing the roles and responsibilities of proposed staff and any sub-consultant(s), and describe the roles of each member shown.
 - Describe the firm's resources, and the roles and responsibilities of the team proposed specifically for this Study, including any sub-consultant(s).
5. **Study References:** Provide a list of studies that demonstrate the firm's and designated project manager's ability to provide the services required for this Study with particular focus on the team's current and past experience managing the design and preparation of hotel/conference center studies (e.g., hotels, motels, conference centers, and other visitor serving purposes). Provide the following information for each study:
 - i. Study name
 - ii. Brief study description
 - iii. Study budget
 - iv. Design start and completion dates (planned and actual)
 - v. Preparation start and completion dates (planned and actual)
 - vi. Firm's role in the study
 - vii. Owner/contact person and current telephone number

6. **Client References:** Provide the name, title and current address and telephone number of the person responsible for the Study in the contracting agency for each of the studies identified above.
7. **Fee Schedule:** Provide the billing rates or range for each classification of key staff members, including sub-consultants.
8. **Underutilized Disadvantaged Business Enterprises:** Consultants shall make a good-faith effort to include certified Disadvantaged Business Enterprise (DBE) or Underutilized DBE firms as sub-consultants. Although no percentage goals have been established for this Study, Consultants submitting Statements of Qualifications should identify whether any certified DBE's will be utilized as sub-consultants and if so, indicate the proposed percentage of work that will be subcontracted to that firm. If no DBE firm will be utilized, the Consultant shall describe the good-faith efforts that were taken in an attempt to include a certified DBE as a member of the Study team.

COSTS ASSOCIATED WITH THE RFQ PROCESS:

Each respondent will be responsible for all his/her expenses incurred during the RFQ process.

PUBLIC RECORDS ACT:

Response to this RFQ becomes the exclusive property of the City. At such time as the City may recommend a firm to the City Council, and when such recommendation appears on the Council Agenda, all proposals submitted become a matter of record and shall be regarded as public record.

SELECTION CRITERIA:

Interested Consultants submitting a Statement of Qualifications will be evaluated for selection based on the following criteria:

- Responsiveness to RFQ including cover letter, indication of general and specific interest, and the overall succinctness, quality and appearance of SOQ;
- History of the Consultant and sub-consultants including: years in business, current number of professional personnel and years of experience of key staff;
- Consultant's and sub-consultants' experience and demonstrated work history on hotel/conference center studies and similar studies;
- Continuity and reliability of Consultant and sub-consultants as an overall project team;
- Consultant's demonstrated ability and management commitment to successfully complete a study within budget and schedule;
- Qualifications and current work load of listed team members;
- Client references with addresses and telephone numbers;

Following evaluation of the Statement of Qualifications (SOQs) by the City, a short list of Consultants may be selected for interview. The number of Consultants selected for interview, if any, will be at the City's discretion. Consultants selected for interview will make a presentation limited to approximately 30 minutes (20 minutes for presentation and 10 minutes for questions and answers). Consultants are encouraged to bring no more than four individuals to the presentation and to focus exclusively on their experience and qualifications related to the type of study and scope of work identified herein.

The top ranked qualified Consultant will be notified in writing and via telephone to develop the final Scope of Work and schedule fee negotiations. If agreement cannot be reached, negotiations will be terminated with the selected Consultant and opened with the Consultant ranked next in order.

THE SELECTION PROCESS:

The elements and sequence of the qualification-based-selection process are as follows:

- Issuance of RFQ
- Submittal of a bound Statement of Qualifications (SOQ) package from prospective Consultants to the City
- Evaluation of SOQs by the City (including review of SOQs and interviews as deemed necessary)
- Selection of a top ranked Consultant
- Scope of Work and Fee negotiations
- Contract award
- Notice to Proceed

CONTRACT AWARD (PROFESSIONAL SERVICES AGREEMENT)

The City reserves the right to accept or reject any or all of the SOQs, waive any irregularity and/or to require the proposer to verify, clarify or explain any part of the submitted SOQ. Contract award will be based on the selection of the Consultant deemed most qualified as well as successful Scope of Work/fee negotiations and approval by the City Council.

ANTICIPATED SELECTION PROCESS SCHEDULE:

Release of RFQ	Thursday, July 8, 2010
Deadline to submit SOQs to City	Monday, August 9, 2010 by 5:00 p.m.
Interviews	Upon Notification
Notice to Proceed	Upon Notification

Respondents to this RFQ should submit four (4) SOQ packages. Respondents shall also submit one (1) reproducible, unbound original. Submittals should follow the format and content specified above.

SOQs should be labeled **“RFQ - Hotel/Conference Center Market Study - Goleta, CA”** and must be received by the City of Goleta at the address below by **5:00 p.m. on Monday, August 9, 2010**:

City of Goleta
Attention: City Clerk
130 Cremona Drive, Suite B
Goleta, CA 93117

Please contact Jaime Valdez at jvaldez@cityofgoleta.org or at **(805) 961-7568** if you have any questions.