

The
**Greater Wildwoods Tourism Improvement
& Development Authority**
[GWTIDA]



REQUEST FOR QUALIFICATIONS:

Development of a Convention Hotel
adjacent to
The Wildwoods Convention Center

RFQ Issued: May 24, 2019
RFQ Response Due: July 26, 2019

TABLE OF CONTENTS

SUPPLEMENTAL INFORMATION TO THE 2017 RFQ	3
INTRODUCTION	4
THE HOTEL REQUIREMENTS	6
PRELIMINARY DESIGN.....	7
PUBLIC INVESTMENT TOOLS	8
THE JERSEY CAPE AREA	9
THE WILDWOODS HOTEL MARKET.....	11
THE WILDWOODS CONVENTION CENTER	12
THE RFQ & SELECTION TIMELINE	14
SUBMITTAL REQUIREMENTS.....	15
SUBMITTAL CONDITIONS.....	17
SUBMITTAL INSTRUCTIONS	18

SUPPLEMENTAL INFORMATION TO THE 2017 RFQ

With only a few modifications, this document is a re-issuance of the RFQ distributed in February 2017. From that time hence, the need for a convention hotel in the Wildwoods has only increased. GWTIDA remains resolute to realize the project.

As discussed in the next section, the Wildwoods Convention Center (“WCC”) mission is to enhance the destination and generate economic impact via attracting large groups on a year-round basis. The convention industry today remains robust. However, the needs of convention groups evolved over the last 20 years and now places as much importance on hotel rooms as it does



convention space. The most critical element of convention groups' desired “hotel package” is the adjacent hotel. In most US markets, the presence of an attached, adjacent or immediately proximate full-service hotel is a requirement for the convention center to even be considered as a host destination. Moreover, other quality hotel rooms nearby are also vitally important. The WCC continues to face challenges with no adjacent hotel. Most of the existing hotels in the area consist of less-than-convention quality and/or are only open during the peak summer months.

Therefore, GWTIDA seeks to address this impediment to its mission by offering its site and other incentives to the “best fit” development partner. The keys to successful developer selection rest in a team's ability to provide (i) a quality product; (ii) a robust room block agreement particularly in the shoulder and off-peak seasons, and (iii) GWTIDA with the confidence that it both possesses and is willing to commit the financial resources to deliver the hotel project in a timely manner.

INTRODUCTION

The native American tribes called the island that is now known as the Wildwoods “five miles of health and happiness.” Up until the 1870s, they and only a handful of brave pioneers were able to enjoy this unique place due to its inaccessibility. However, one entrepreneur recognized great potential and began the area’s first development company in 1882. The railroad arrived the following year, and millions of visitors have travelled to the Wildwoods since. Today, people from all walks of life and all over the world come to this place for the very same reasons as those native Americans some 300 years ago.

With over a century of continuous success attracting vacationers, families, and the small group traveler, the community leaders asked themselves in the 1990s, *“could we attract larger groups?”* After in-depth study, they determined their answer and took action. Three local municipalities and the State of New Jersey came together in 2000 to invest \$70 million in the WCC in an effort to enhance the destination by leveraging the vast number of visitors and the region’s attractions and existing infrastructure. Were the area leaders correct?

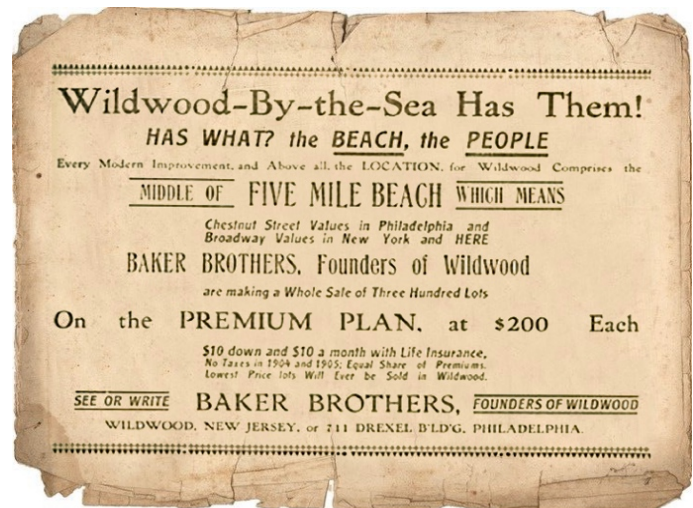


Yes. In its first 17 years of operations, the WCC has met or exceeded the goals with which it was tasked. In a typical year, the facility hosts upwards of 150 events, sees nearly 250,000 attendees walk through its doors, and generates approximately 130,000 occupied hotel rooms. The WCC is one of the true focal points within the destination. With its waterfront location and boardwalk frontage, along with its success in attracting the group market, the WCC’s leaders asked themselves in 2012, *“how do we improve?”*

To GWTIDA, after studying the issues, and with special consideration to group business feedback as well as the user experience preferences within the overall event industry, the answer was clear: a quality hotel immediately adjacent to the WCC. The community leaders once again took action.

The re-issuance of this request for qualifications ("RFQ") is the result of years of effort to ensure that the public sector's collective role in the envisioned public-private partnership development project ("P3") is aligned to bring the hotel to fruition.

- Is the hotel site under the proper public-sector control? Yes.
- Has a hotel project of this magnitude and located on the boardwalk received preliminary review and general concurrence related to coastal permitting? Yes.
- Do the public sector's financial incentive programs exist that can help bridge the project funding gap? Yes.
- Has political consensus for the hotel been built at the local and state governmental levels? Yes.
- Is WCC leadership prepared for what it will likely take to attract the right private sector partner to develop the right kind of hotel? Yes.



19th Century Advertisement
The assessed value of the "Five Mile Beach" went from \$12,500 in 1881 to \$7,500,000 in 1910.

Therefore, this RFQ seeks expressions of interest from qualified developers and development teams. The intent of this RFQ process is to begin a conversation with one or more entities that recognize the project's potential and have the wherewithal to bring it to fruition. It is GWTIDA's desire that from those conversations one entity will be selected who, given mutually acceptable and beneficial terms and conditions, would be the partner to help bring about this next phase in the ever-evolving development of the Wildwoods.

THE HOTEL REQUIREMENTS

In order for the WCC to compete effectively in the target markets it sees as viable with an adjacent property, it was determined that the proposed convention hotel must:

- A. Contain a minimum of 120 guestrooms, and
- B. Be a minimum quality of at least of an upscale select-service type, and
- C. Affiliated with a nationally recognized brand, and
- D. Professionally managed, and
- E. Contain sufficient parking, and
- F. Provide meaningful room-block commitment to WCC on a year-round basis.

Minimum Requirements

As mentioned previously, GWTIDA is looking to begin a conversation and therefore anticipates meaningful dialogue via this process with potential private sector partners about the hotel product. However, as a starting point, GWTIDA expresses its other preferences:

- G. Full-service hotel, and
- H. Food and beverage outlets including a three-meal restaurant, and
- I. Indoor and outdoor function space, and
- J. Swimming pool and other guest amenities, and
- K. Development and operation of retail and other commercial and entertainment outlet space on the boardwalk (included in the hotel site pad either as part of the hotel or a separate structure), and
- L. Consistency with the Doo-Wop theme.

Preferences Open for Discussion

<http://www.doowopusa.org/whatisdoowop.html>

PRELIMINARY DESIGN

GWTIDA engaged an architectural firm and an environmental consultant to work in tandem to explore the physical possibilities of the site as well as how those possibilities might impact the permitting and approval process. This conceptual design phase was used primarily to determine the maximum envelope of a project that would meet the parameters of the code of the approval agencies, with the understanding that the ultimate design of the selected private sector developer may be smaller and therefore presumptively provide a level of comfort with its ability to be approved. The image below, and as shown on the cover, is the result of this design work and contemplated a program of 200 guestrooms.



The architect and the environmental consultant along with their work will be presented during the subsequent discussions between GWTIDA and selected development teams as the process moves forward. Both a summary of the approval process from The Lomax Environmental Consulting Group and architectural information, renderings and program from SOSH Architecture is available at the link provided on page 18.

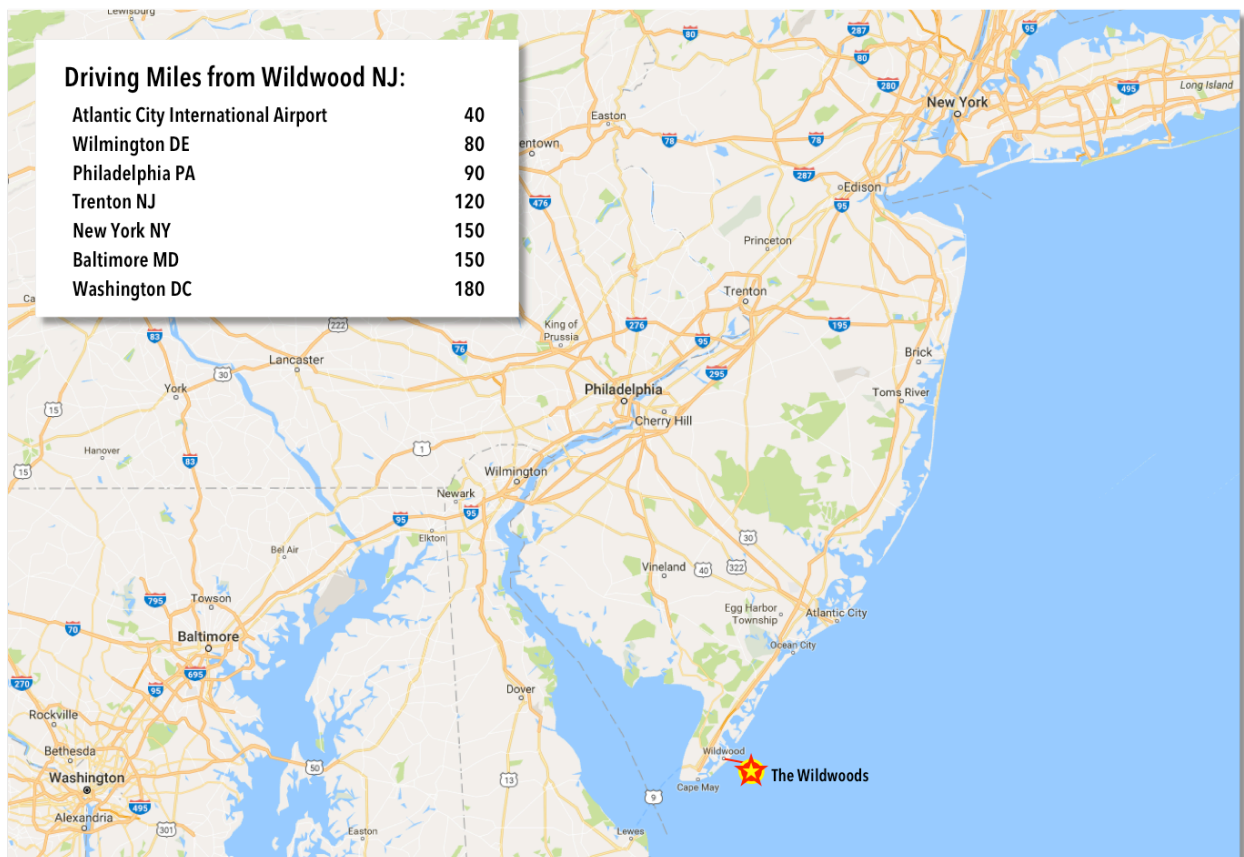
PUBLIC INVESTMENT TOOLS

GWTIDA and the other public sector stakeholders are aware of the realities of financing and developing a quality hotel, and appreciate the need to infuse public incentives to realize the proposed hotel. Therefore, the following are some of the incentives that are in place and could potentially be utilized for the WCC hotel. GWTIDA expects that these programs in particular and public incentives in general will be a material part of future discussions with prospective developers.

1. A long term ground lease from GWTIDA
 - a. Boardwalk frontage for hotel and retail/commercial development opportunities
2. NJEDA's Economic Redevelopment & Growth Program "ERG"
 - a. For approved projects, the State's Economic Development Authority will provide a grant in an amount that corresponds up to 75% of eligible project-generated State taxes to the developer on an annual basis for up to 20 years.
 - b. The grant amount is calculated so as to create an IRR return for the developer commensurate with the market for similar projects, and could reach up to 30% of total project costs. Developer must show a funding gap to qualify.
 - c. Other parameters
3. NJDCA's Urban Enterprise Zone Program "UEZ"
 - a. For approved projects, the program essentially refunds all State sales tax related to both initial hotel construction and all future major renovations
4. Liquor License issued by the NJ Division of ABC
5. Inclusion in the NJ Opportunity Zone [<https://nj.gov/governor/njopportunityzones/>]
6. Others as requested, mutually discussed, and publicly approved.


THE JERSEY CAPE AREA

The “New Jersey Cape May Region,” also known as the Jersey Cape, has been recognized as a coastal resort, recreation and tourism destination for more than a century. The Wildwoods are centrally located within the Jersey Cape on the Five Mile Beach Barrier Island. The climate is moderate, similar to the islands off the coast of the Carolinas because of its position between the Atlantic Ocean and Delaware Bay. The Wildwood Communities boast the finest white sand beaches in the United States and the celebrated five-mile long Oceanfront Boardwalk and Promenade dedicated to pedestrian use. Sunbathing, touring, cycling, boating and environmental adventures abound. Offshore fishing, boating and whale watching are popular activities by day, along with dining, night club and Boardwalk amusement activities at night. The Cape, including the Wildwoods, supports one of the most important commercial fisheries and recreation fishing ports in the eastern United States. Seafood cannot be fresher.



On the mainland, the county airport, historic features, museums, gardens, the county zoo, parks, and many sports facilities are open to the public. Nine golf courses also help to attract many visitors well beyond the typical tourism season. Extensive natural areas, including State and National Wildlife Refuges, are available in the Cape to the nature-loving public.

The U. S. Coast Guard base, just south of the Wildwoods, has the primary missions of search and rescue, heavy weather operations, law enforcement, ports, waterways, and coastal security. Supporting these missions is a modern fleet. Incorporated within the base is the Coast Guard Training Center Cape May, home of the Coast Guard's enlisted corps – our nation's only Coast Guard enlisted accession point and recruit training center.

The Garden State Parkway  aids those of the more than 25 million people within a half day's drive to enjoy the Jersey Cape, along with those who use the coastal route and the

Cape May-Lewes Ferry for their northerly and southerly migrations.

The extensive economy of the Jersey Cape Region is supported by an exceptional assemblage of businesses, natural features, and an enjoyable climate.



THE WILDWOODS HOTEL MARKET

As one of the initial steps in the larger process, GWTIDA funded a hotel market study. The results of that work were presented in 2012. Interested parties are encouraged to read the report, which is available at the link provided on page 17. Although this 2012 report was produced for GWTIDA's own internal purposes, it is provided herein simply as background information. It should be noted that the seven-year old report was predicated on a smaller, select service property. All prospective developers are expected and encouraged to perform their own due diligence.



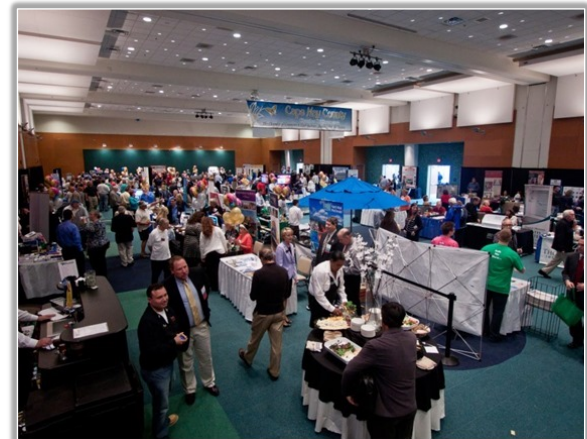
THE WILDWOODS CONVENTION CENTER

The Wildwoods Convention Center is a modern, multipurpose facility equipped with exhibit, ballroom, meeting and pre-function space. Located on the world famous Wildwoods Boardwalk directly overlooking the beach and ocean, this unique facility has a Teflon-coated fabric roof that creates an attractive, acoustically stable interior. The roof floods the show floor with natural sunlight during the day and permits interior lights to illuminate the sky at night. The state-of-the-art, 260,000-square-foot facility offers one of the most spacious, flexible, innovative and inviting venues available for conventions, trade shows, meetings, concerts and exhibits. With easy access to Philadelphia, New York, and Baltimore/Washington DC metro area, the WCC can accommodate groups as small as 100 or as large as 10,000 and includes such features as:

- Spectacular ocean views from the outside deck, main exhibit hall and lobby area
- Boardwalk extension allowing direct access to the boardwalk and powdery white beach between meetings
- Glass doors that open to allow the ocean air to drift inside
- The 75,000 square-foot exhibition hall that can be split into two 37,500 square-foot areas
- 20,000 square feet of ballroom and meeting space
- 6,600 square-foot oceanfront deck for pre-functions
- 30,000 square feet of lobby and pre-function space
- Flexible capacity for up to 7,000 seats in the main exhibit hall
- Voice and data communication in exhibit hall floor boxes
- Convenient loading docks
- 38 blocks of boardwalk fun and excitement just outside our doors
- On-site parking for more than 600 vehicles
- Detailed program info: <http://www.wildwoodsny.com/cc/wildwood-facility-tour/meeting-planner-tour.cfm>



Scenes from The Wildwoods Convention Center



THE RFQ & SELECTION TIMELINE

Although subject to change at GWTIDA's sole discretion, the following presents GWTIDA's intended timeline with respect to the RFQ and subsequent selection process:

May 24, 2019	— RFQ ISSUED
June 14, 2019	— Pre-Submittal Meeting at WCC begins at 10:00 AM [Non-Mandatory]
June 21, 2019	— Last day for Developers to submit written questions
June 28, 2019	— Written responses posted to GWTIDA website listed on page 18
July 26, 2019	— RFQ SUBMITTALS DUE
August, 2019	— Developer Interviews and P3 conversations
Aug/Sept, 2019	— DEVELOPMENT OPPORTUNITY AWARDED

The RFQ will identify those development teams who have expressed written interest in exploring the opportunity and one or both of the following: (i) successfully described relevant development experience of a hotel(s), and/or (ii) provided a compelling preliminary vision for the project while providing thoughts on key development-related issues necessary for a successful on-time, on-budget development. Upon reviewing the RFQ submittals and after initial interviews, GWTIDA may choose to begin more formal discussions with one or more prospective private developers. Notwithstanding that the ultimate award of the development opportunity may come as a direct result of these discussions, GWTIDA reserves the right to modify and/or terminate this process at any point in time.

SUBMITTAL REQUIREMENTS

The submittal should include the following information and in the following sequence:

Section 1: Development Team

- A. Identify the Developer Team members, providing individual primary points of contact for each including name, title, mailing address, phone number, email address, and a brief personal resume.
- i. Lead Developer
 - ii. Other Developers: if any
 - iii. Architectural Design Team: if identified
 - iv. Hotel Brand(s): Developers may respond to this RFQ with more than one prospective hotel brand. However, Developers are strongly encouraged to provide sufficient evidence to GWTIDA that the selected brand(s) are supportive and eager members of your Development Team. Hotel brands may elect to participate on more than one Development Team and will not be detrimentally viewed as a result.
 - v. Financial Partners: if identified
 - vi. Construction: if identified
 - vii. Others

*Who
is your
Team?*

Section 2: Relevant Project Experience

- A. Provide a list of the Development Team's hotel and other development experiences and the specific role each played within that experience. Please identify those projects where two or more of the Development Team members worked jointly on a past project. Provide the following information for each experience, where relevant:
- i. Project name and size
 - ii. Location and photograph
 - iii. Date opened
 - iv. Development cost and a brief explanation of the finance approach
 - v. Developer's and/or Financial Partner's ownership stake at the time of development
 - vi. General description of the public-private partnership (P3) and room block agreement
 - vii. Public entities involved

*What
have
they
Done?*

Section 3: Preliminary Vision

- A. GWTIDA acknowledges that information provided at this point to interested Development Teams is limited, and that the conversation has yet to begin. However, GWTIDA is interested in understanding the Development Team's preliminary, non-binding thoughts on how it might approach the project. This may include, for example, high-level commentary on aspects of the project's physical elements including number of rooms and quality, its aesthetics/design, financial/P3; marketing/positioning; working relationship with WCC; and or its general strategy for success. *Please note that the GWTIDA is not requesting nor is it expecting to receive any architectural designs or renderings as part of this RFQ submittal.* Rather, the purpose of this section is to identify those Development Team candidates whose project mindset aligns with that of GWTIDA.

*What
do they
See?*

Section 4: Additional Information [Optional]

- A. Development Teams are strongly encouraged to include any additional information or materials that could demonstrate its ability to be a good partner with GWTIDA.

*What
else?*

SUBMITTAL CONDITIONS

- All Developers are encouraged to respond to this RFQ, including those teams/individuals who participated in the 2017 RFQ process.
- The Developer's Team must comply during the RFQ and contracting period with all local, state, and federal laws, rules and regulations applicable to the development.
- This RFQ does not bind or commit the GWTIDA or the NJSEA to enter into any agreement with any Developer or continue any discussions with any Developer.
- GWTIDA may need to issue one or more addenda related to this RFQ. Such addenda shall be added to the original RFQ document and posted at: <https://wildwoodsnj.com/business-info/do-business-with-us/open-rfps>. It is the responsibility of the Developer to familiarize itself with the web site and visit it regularly during the RFQ process for updated information or addenda related to this RFQ.
- Developers shall not contact any other person within the GWTIDA or the WCC directly, in person, by telephone, or by email, concerning this project; All questions or inquiries must be made in writing to jsiliciano@wildwoodsnj.com.
- Submissions will be held confidential during the bid process until such time as the final contract is executed, upon such time the bid submittals may be subject to New Jersey's Open Public Records Act. It is the responsibility of the Developer to clearly indicate any submitted information that it considers is proprietary.
- All submissions will become the property of GWTIDA. Submitted packages will not be returned to Developers.
- In submitting a response, the Developer agrees that it shall have no right to use, and shall not use, the name of the NJSEA, the GWTIDA, or their respective officials or employees, in any manner whatsoever.
- The preparation of a response shall be at the expense of the Developer. GWTIDA will not reimburse firms for any costs associated with the preparation or submittal of a response.
- No party, including any Developer responding to this RFQ, is granted any rights hereunder.
- GWTIDA reserves the right to reject any or all responses, to waive any requirements of this RFQ, and to modify or amend this RFQ, in its sole and absolute discretion.
- GWTIDA reserves the right to seek clarification and additional information at any point in connection with information or any communication regarding this RFQ.
- By submitting a proposal, the Developer certifies that no relationship exists between the Developer and the NJSEA or GWTIDA that interferes with fair competition or is a conflict of interest; and no relationship exists between Developer and another person or firm that constitutes a conflict of interest that is adverse to the NJSEA or GWTIDA.
- Developers should satisfy themselves, by personal investigation and any other means they deem necessary, as to the conditions affecting the proposed project and the cost thereof. Developers are solely responsible for conducting their own independent research and due diligence in preparation of their response.
- Neither GWTIDA nor the NJSEA assumes any responsibility for the completeness or the accuracy of any information presented in this RFQ, or otherwise distributed or made available during this procurement process.
- The Development is a project of the GWTIDA pursuant to the Tourism Improvement and Development District Act (N.J.S.A. 40:54D-1 et seq.) and not a project of the NJSEA.
- By responding to this RFQ, Developers acknowledge and consent to the conditions set forth herein relative to the submission, review, evaluation, and consideration of their response.

SUBMITTAL INSTRUCTIONS

One electronic copy of the RFQ submittal must be emailed to the addressee below on or before 12:00 PM local time on Friday, July 26, 2019. Late submittals will not be accepted. The subject line in the email submittal message should read: "RFQ for Wildwoods Convention Hotel."

Mr. John Siciliano, Executive Director
The Greater Wildwoods Tourism Improvement & Development Authority
c/o The Wildwoods Convention Center
4501 Boardwalk
Wildwood, NJ 08260
Phone: (609) 846-2652
jsiciliano@wildwoodsnj.com

All inquiries regarding the RFQ must be directed to Mr. Siciliano.

This RFQ; information on the June 14 Pre-Submittal Meeting; the NJEDA's ERG Program summary; the environmental approval summary; all written Development Team questions (when submitted) and GWTIDA responses (when provided); the 2012 Hotel Market Study; and architectural information can all be found at the following URL:

<https://wildwoodsnj.com/business-info/do-business-with-us/open-rfps>

Prior to the June 14 Pre-Submittal Meeting, GWTIDA will also upload to this URL performance information on the WCC as well as performance data on the local hotel market.

