



REQUEST FOR PROPOSALS

Hotel Market Demand and Feasibility Study

**Village of Huntley
10987 Main Street
Huntley, IL 60142
847-515-5200**

Date Issued: February 9, 2018
Due Date: March 16, 2018, 2:00 p.m.



SCOPE OF WORK

The Village of Huntley is seeking proposals from qualified individuals or firms to: (1) conduct a Hotel Market Demand Study to identify current and projected market demand for the number, type, and duration of hotel stays in Huntley, Illinois; and (2) should the Demand Study identify high occupancy levels and indicate that the projected Average Daily Rate (ADR) is likely achievable, also conduct a feasibility analysis to determine economic feasibility and develop a pro-forma for a potential hotel.

LOCATION OVERVIEW

The Village of Huntley is home to over 27,000 residents. The Village is located along the Interstate 90 corridor midway between O'Hare Airport and Rockford, Illinois. Currently, no hotels or other lodging are located within Huntley.

Illinois Route 47 is the main north-south arterial through the Village. The Route 47 commercial corridor includes various sites near the I-90/Rt. 47 full access interchange that would be ideal locations for a hotel.

In addition to traditional drivers of occupancy, such as business travel during the week, other drivers of demand include:

- Family visiting relatives at Sun City, the largest 55+ active adult community in the Midwest with over 5,400 homes
- A new 128-bed hospital
- Sports tournaments hosted by the [Huntley Park District](#) and [Huntley Community School District 158](#)

The Village has conducted a survey to assess the potential demand created by Sun City residents. The Village has also collected data regarding sporting functions hosted by the Park and District. Survey information can be found on the Village's economic development website at <http://www.huntleyfirst.com/retail/hotels.php>.



Additional information about the Village of Huntley can be found on the Village’s website at www.huntley.il.us.

SITE CONSIDERATIONS

[Ready-to-go commercial sites](#) are available along Route 47 from the I-90/Rt. 47 interchange north to Kreutzer Road, a distance of two miles from the interchange. The study should identify what type of private sector hospitality project is feasible when considering sites, brand, and supporting amenities.

PROJECT DELIVERABLES

1. Market Demand Analysis specific to Huntley including:
 - Current and future lodging and hospitality demand in the market area
 - Primary and secondary market research to support analysis
 - Identified demand generators or potential users, including interviews with potential users and demand generators (i.e. hospital, school district, park district)
 - Potential utilization, revenue, and occupancy to include, however not limited to, hotel occupancy percentage and Average Daily Rate (ADR)

2. Project Feasibility Study
 - Assessment of the viability of a hospitality product in Huntley
 - Identified market constraints
 - Estimated capital investment required and expected revenue return required to attract investors
 - Estimated municipal hotel tax revenue (The Village currently has in place a room tax at the rate of 5% of the gross rental or leasing charge)
 - Identify potential public incentives that could improve the viability and/or investment attraction for the project

3. Facility Recommendation
 - Hotel brand
 - Number and mix of guest rooms
 - Room configuration
 - Food and beverage offerings (full service or limited service)
 - Meeting space requirements



4. Financial Projections

- Detailed financial pro-formas that can be provided to potential hotel developers, lending institutions, management companies, and franchises
- Estimated projections for years 1-5
- Breakeven assessment

SUBMITTAL INFORMATION

It is the responsibility of the vendor to identify any information of a confidential or proprietary nature contained in its proposal so that it may be handled accordingly. However, the Village of Huntley cannot guarantee confidentiality. All submissions become property of the Village and will not be returned. All proposals shall provide the following information:

1. Name and background information of vendor, including location of office
2. Length of time individual or firm has been conducting hotel feasibility studies
3. List of staff assigned to this project, including summary resumes and description of professional capabilities specifically required to perform this work
4. List of recently completed similar projects
5. Example of work in a similar community that has led to the construction of a hotel
6. List of references, including phone numbers
7. Proposed scope of services, based on the description of deliverables outlined above
8. Description of graphic presentation, mapping, and related technical capabilities of the individual or firm
9. Detailed description of the professional fees charged, broken down by the Market Demand Study phase and the Feasibility Study phase; The Village reserves the right to determine whether to proceed with the Feasibility Study phase and the Village shall have no financial obligation to pay any additional fees after completion of the Market Demand Study phase and will notify the vendor in writing via e-mail not to proceed any further
10. Schedule and time frame for completing the study



SUBMITTAL REQUIREMENTS

Please submit five (5) hard copies and one electronic copy on a USB drive to the following by 2:00 p.m., March 16, 2018:

Lisa Armour, Assistant Village Manager
Village of Huntley
10987 Main Street
Huntley, IL 60142

Proposals should be identified as “Village of Huntley Hotel Market Demand and Feasibility Study.” Late and incomplete submissions may be rejected.

BUDGET

The Village Board has authorized a budget not to exceed \$15,000 for the market demand and feasibility study. Please develop proposals with this budget in mind.

RIGHT TO REJECT PROPOSALS

The Village reserves the right to reject any and all proposals, and/or waive any irregularities if determined to be in the best interest of the Village. By responding to this RFP, the respondent accepts the process as outlined in the RFP and fully acknowledges the final determination of the Village is binding and without appeal. The Village reserves the right to negotiate with any of the vendors or other firms in any manner deemed to be in the best interest of the Village of Huntley. The Village reserves the right to negotiate and award only a portion of the requirements; to negotiate and award separate or multiple contracts for the elements covered by this RFP in any combination it may deem appropriate, at its sole discretion to add new considerations, information or requirements at any stage of the procurement process, including during negotiations with vendors; and reject the proposal of any vendor that has previously failed to perform properly or in a timely manner contracts of a similar nature, or of a vendor that, in the opinion of the Village is not in a position or is not sufficiently qualified to perform the contract. The Village reserves the right to reissue all or part of this Request for Proposal



and/or not award any contract at its discretion without penalty. The Village will not be liable for any costs associated with the preparation and presentation of a proposal submitted in response to this Request for Proposal.

REQUESTS FOR INFORMATION/QUESTIONS

Requests for clarification or additional information should be submitted in writing via e-mail to Lisa Armour (larmour@huntley.i.us) by 12:00 p.m. on Friday, March 9, 2018. Responses shall be distributed via e-mail to all vendors who have submitted a completed Hotel Feasibility Study RFP Acknowledgement Form (Attachment 1).

SELECTION PROCESS AND SCHEDULE

Proposals will be evaluated on a number of criteria, including, but not limited to:

- Experience, with respondents having at least five years of experience conducting Hotel Market Demand and / or Hotel Feasibility Studies
- Capabilities to provide required services
- Demonstrable experience working with similar sized communities
- Project manager experience and qualifications
- Strength and experience of assigned staff
- Related project experience
- Project understanding and approach
- Availability to start and complete the project
- References
- Proposed cost of services; fee proposal should include cost plus any estimated additional expenses



While price is an important factor, it is not the only consideration in evaluating responses to this RFP. The Village of Huntley reserves the right to accept the proposal considered to be the most advantageous to the Village whether or not the terms are the lowest cost.

Detailed evaluation leading to a final selection or award may take several weeks.



**Village of Huntley
Hotel Feasibility Study RFP
RFP Acknowledgement Form**

Recipients of the Village’s Request for Proposals for a Hotel Market Demand and Feasibility Study must complete this form and return as directed below to ensure receipt of any communications issued by the Village in regard to the RFP. Village responses to questions from potential vendors will be sent to all vendors returning this form to the Village.

Contact Name: _____

Company: _____

Mailing Address: _____

Phone Number: _____

E-Mail Address: _____

Signature: _____

Return the completed RFP Acknowledgement Form to:

Lisa Armour
Assistant Village Manager
Village of Huntley
larmour@huntley.il.us