

**Request for Proposal
Spearfish Convention Center
Expansion Feasibility Study**

This is a request for proposals to conduct a market demand analysis, economic impact study focusing on current impact vs. potential impact after expansion, and financial feasibility study for a proposed expansion of the City of Spearfish Convention Center.

General Information

The City of Spearfish is exploring the possibility of expansion at the Spearfish Convention Center as herein defined.

All inquiries or correspondence relative to this RFP should be directed to:

Joe Neeb, City Administrator
City of Spearfish
625 Fifth Street
Spearfish, SD 57783
(w) 605-642-1325 or (fax) 605-642-1329
joe.neeb@cityofspearfish.com

The Spearfish City Council is requesting proposals from qualified consultants or educational institutions to conduct a multi-phased market demand analysis and feasibility study that will provide objective, research-based guidance for this project.

Background

The Spearfish Convention Center is an approximate 26,600 sq. ft. multi-purpose facility. The rentable space consists of an 11,232 sq. ft. Ballroom that can be subdivided into 7 rooms. The Convention Center is adjoined to the Holiday Inn. The Convention Center opened in September of 1999.

Spearfish Convention Center is located in Spearfish, South Dakota along Interstate 90 at exit 14. Spearfish is located on the far western edge of the State, near the border of Wyoming. Its location near the Northern Black Hills makes it an ideal destination for visitors. While connected directly to the Holiday Inn, there are approximately 1,000 rooms within the City to support the facility and/or its expansion.

The City has done some preliminary data collection for the existing facility. This information will be included as an addendum to this RFP. It will provided some anticipated cost estimates, current opinion regarding size of facility and potential needs for acquisition of additional land for extending parking.

Objective

The primary factors contributing to the proposed expansion are as follows:

- Need for exhibit hall space
- Competition from other facilities in the region
- Growth of annual events held at the facility
- Retention of annual events that have outgrown the facility
- Ability to attract new events to the city
- Ability to book multiple events at the same time

Scope of Work

The following is an outline of the desired services to be performed. The City Council will consider input from respondents as to other suggested services to be considered for inclusion. Those services should be listed as optional on the submission.

Market Demand Study and Financial Analysis

1. Analyze economic and demographic characteristics
 - a. Include current and future growth market trends and demand for expansion
2. Review competitive facilities
 - a. Include Spearfish's capacity for hosting mid-sized events as compared to other cities and facilities in the surrounding area including the Cities of Deadwood and Rapid City.
3. Conduct accommodation inventory and meeting space analysis
4. Analyze present marketing strategies and provide recommendations for improvement with expansion
5. Identify and determine the needs assessment as it relates to community needs and quality of life use and as an economic impact tool for the City
6. Conduct demand analysis
 - a. Primary market research
 - b. Identify demand generators or potential users of an expanded facility
 - i. Interviews with potential users including meeting planners, event promoters and/or consumers
7. Facility recommendation
 - a. Determine whether the anticipated type and size of facility is sufficient for the facility's potential utilization.
 - i. Please note this study is geared toward the addition of Exhibit Hall, Meeting Rooms and Banquet Space
 - b. Project facility's potential utilization
8. Financial projection
 - a. Operating revenue and expense
 - b. Debt service
9. Identify financing options
10. Project economic impacts

- a. Project impact on hotel room nights
- b. Project tax revenue increase to the city
- c. Project impact on city restaurants and retailers

Proposed Submission Requirements for RFP

The following must be submitted:

1. Basic information regarding the presenting firm or department including contact names and backgrounds of principals and professionals who will be involved in the project and history or presenting organization.
2. Similar information for any sub-consultants or sub-contractors who will be used to complete the study.
3. Qualifications and experience of all involved that will enable the Spearfish City Council to evaluate your team and your relevant experience. Please provide client references on all appropriate projects.
4. Describe in detail the approach or process that your firm will undertake that will enable the Spearfish City Council to make a sound decision.
5. A fee proposal for the study. A detailed estimate of “out of pocket” expenses and a “not to exceed” cap on such expenses is to be included.
6. Provide a schedule and a time frame for completion of the study.
7. The City of Spearfish shall not pay any costs incurred by any proposing company for time and/or materials used to prepare the response or make the presentation(s) related to this RFP.

Selection and Evaluation Process

Selection shall be based upon information gained from the proposal review, including relevant experience, pricing, personnel assigned to the work, interviews, references and other relevant criteria as determined by the Spearfish City Council. A response to the RFP should be submitted and received by or before **Friday, December 16, 2011 at 3:00 PM local time**, at which time proposals will be opened. The response should include tow (2) bound originals (so marked) and ten (10) unbound copies as well as an electronic copy of the RFP. Proposals received after this date will not be accepted and no proposals will be accepted by fax.

Proposals should be marked **Expansion Feasibility Study** and sent to the attention of:

Joe Neeb, City Administrator
City of Spearfish
625 Fifth Street
Spearfish, SD 57783
joe.neeb@cityofspearfish.com

Respondents to this RFP may withdraw or modify their proposal prior to the deadline established for the submittal of proposals (**3:00 PM on Friday, December 16, 2011**) providing the request for withdrawal is made in writing to the same address.

The proposal will become the property of the City of Spearfish. The City of Spearfish and/or its agents will then review the proposal and investigate the qualifications of the team members and the demonstrated ability to perform satisfactorily, as well as the financial stability of the firms submitting the proposals.

The City of Spearfish reserves the right to require either telephone or personal interviews with each firm or consultant submitting a proposal.

The City of Spearfish reserves the right to reject any or all proposals in any order or combination, accept or reject portions of the proposal, make modifications to the work after submission of proposals, and waive any formalities in proposals if they deem it is in the best interest of the City of Spearfish to do so, without liability on the part of the City of Spearfish.

Other dates of interest concerning this RFP process

All meetings will be held at the Spearfish City Hall unless otherwise noted. All dates are subject to change.

* Pre-RFP Conference will be held Tuesday, November 29, 2011 at 3:00 PM. Attendance at the conference is **NOT** mandatory. It would be helpful if any questions from proposing companies be emailed prior to the conference to joe.neeb@cityofspearfish.com. A list of the questions and responses will be sent to each company that has expressed interest in the project.

* RFP deadline – **Friday, December 16, 2011 at 3:00 PM local time**

* Evaluation of RFP's completed by Tuesday, January 31, 2012.

* Notification of Finalists on or before Friday, February 10, 2012.

Negotiations will be conducted with the selected company. In the event a mutually acceptable contract cannot be negotiated with the selected company, the Spearfish City Council reserves the right to negotiate with other responding companies. Upon negotiation of mutually acceptable contract, the Spearfish City Council will award the contract or contracts, if any. The Spearfish City Council reserves the right to reject all qualifications and reissue the RFP.