**RFP #18-001, Request for Proposals for FY 2018**

**Major Facilities Capital Projects Funding**

***Pre-Submittal Meeting Notes***

**Thursday, December 7, 2017, 9:00am, Room 2800, Wake County Justice Center**

**Attendees**

|  |  |  |  |
| --- | --- | --- | --- |
| **Name** | **Company/Organization** | **Phone** | **E-Mail** |
| Maureen Daly | Town of Fuquay-Varina | 919-618-0042 | mdaly@fuquay-varina.org |
| Beth Overman | Town of Fuquay-Varina | 919-552-1432 | boverman@fuquay-varina.org |
| Jonathan Cox | Town of Fuquay-Varina | 919-552-1432 | jcox@fuquay-varina.org |
| Dennis Gaskins | Capital Sportsplex | 919-539-5218 | dennis.gaskins@gmail.com |
| Sandi Bailey | Town of Cary | 919-380-2135 | sandi.bailey@townofcary.org |
| Rob Autay | Triangle Racquet Sports | 919-623-4879 | rautay@triangleracquetsports.com |
| Mark Friedman | Triangle Racquet Sports | 919-225-5045 | friedman.mark@gmail.com |
| JG Ferguson | Town of Rolesville | 919-554-6582 | jg.ferguson@rolesville.nc.gov |
| Bill Summers | Town of Knightdale | 919-217-2202 | bill.summers@knightdalenc.gov |
| Chad Sary | Town of Knightdale | 919-676-2490 | chad.sary@knightdalenc.gov |
| Cyndi Tomblin | Hospitality Alliance | 919-669-6770 | cyndi.nanc@gmail.com |

**Handouts Provided**

* Projects Receiving Funding Commitments in Prior Hospitality Tax Competitive Processes
* Copy of today’s presentation

**Meeting Summary**

Denise Foreman, Assistant County Manager, introduced herself. She is the proposal contact for any questions prior to submittal. Her contact information is as follows:

**Denise Foreman**

**Wake County Manager’s Office**

**919-856-5578**

**denise.foreman@wakegov.com**

**History and Background, Small Project Definition and Hospitality Tax Operating Principles:**

* Ms. Foreman explained that the RFP concerns the FY18 Hospitality Tax Small Capital Projects funding process. The funds the County is looking to award come from the county’s Room Occupancy and Food and Beverage taxes.
* State government restricts the use of these funds to four areas:
  + arts
  + culture
  + sports
  + convention/meeting related activities.
* The idea is that these funds are invested into projects that will ultimately generate returns for the hospitality industry, therefore supporting the source of the revenue. The enabling legislation related to the source of funding is included as an attachment to the RFP.
* The use of the Room Occupancy/Food and Beverage taxes is governed by the County and the City of Raleigh through Interlocal Agreements. They have a team of approximately 50-65 stakeholders, from varying backgrounds, who work closely with them to make sure these funds are used effectively and in accordance with the legislation that governs them. As part of this collaboration, each fiscal year the stakeholders identify funds that can be made available to support small projects within the community. These funds are then awarded through the Small Capital Projects process which occurs every 2 years.
* The last time this process was completed, in 2016, $2 Million had been identified for smaller projects that would benefit the community. For this RFP, which is for FY17 and FY18 funds, there is approximately $3.5 Million in funding available.
* For the purposes of this process, the County defines “small project” as those projects with a minimum cost of $100,000 and a maximum of around $10-12 Million.
* As the Board of Commissioners is trying to get into a two-year funding cycle, if a project does not meet the timeline criteria this time, it is possible to come back and try again in 2 years.
* Ms. Foreman reviewed the operating principles which the partners originally developed to govern the use of the Hospitality Tax funds and described how these same principles should be referred to as part of the RFP proposals. These principles are listed in the RFP document as well as in today’s meeting presentation.

**Schedule, Evaluation Team, Criteria and Scoring:**

* The proposed schedule is listed on page 8 of the RFP document. The process began in October 2017 and is expected to conclude in April or May 2018, when the Board makes a decision on awarding funds.
* The Evaluation Team reviewing and scoring the proposals will consist of individuals from the Convention and Visitors Bureau, the local hospitality and arts community, representatives from Wake County municipalities who are not submitting proposals, as well as Wake County employees from the County Manager’s Office, budget, facilities, parks and community services departments. This will allow for a number of different perspectives when reviewing the proposals received.
* The minimum criteria for projects are as follows:
* The project must be fully located in Wake County
* The use of funds must be consistent with the statutory use of revenues (arts, culture, sports or convention/meeting related)
* The request must be capital in nature with a minimum value of $100,000
* The County will fund a maximum of 35% of the total project cost
* The maximum request per project is $1,500,000
* Proposals will be scored in sections as follows. Total points available = 100. Detailed information for exactly what each section requires is provided in Section 4 of the RFP and was also reviewed during this meeting.
* Project Overview and Objectives – up to 15 points
* Project Budget and Funding Sources – up to 20 points
* Project Timeline – up to 15 points
* Project Operating Plan – up to 20 points
* Project Visitor Estimates, Return on Investment and Performance Targets – up to 20 points
* Organizational Information – up to 10 points
* Ms. Foreman noted that the excel spreadsheet provided with the RFP for the estimated Food and Beverage/Room Occupancy Tax Revenues was incorrect. The updated spreadsheet is available on the Wake County website at [www.wakegov.com/roomfoodtax](http://www.wakegov.com/roomfoodtax/). The major difference is that the radius for calculating whether visitors should be classified as day visitors or overnight visitors has changed from 50 miles to 75 miles. This was as a result of feedback from our partners in the hospitality industry who felt this was a more realistic measurement.

**Contact During Process:**

* Ms. Foreman asked that organizations not reach out to staff or members of the Board of Commissioners during this process. Contact with public officials should not occur until after the April 9, 2018 Work Session. Commissioners may reach out to you for questions and you can certainly respond to them but we are asking that you not initiate contact with them.
* Ms. Foreman is the contact for any questions prior to submittal of proposals.

**Submittal Instructions:**

* Proposals are due by **3:00PM on February 8, 2018**. A single bound copy is required along with an electronic PDF version on a flash drive (in 8.5 x 11 printable format).
* **All submittals are public record and should not contain proprietary information.**
* Proposals should be submitted to:

**Tom Wester**

**Wake County Finance-Procurement Services**

**Wake County Justice Center, 2nd Floor, Suite 2900**

**301 S. McDowell Street, Raleigh, NC 27601**

Detailed submittal instructions can also be found on page 7 of the RFP document.

**Evaluation Process:**

* Evaluation Team members will review each proposal and receive a presentation for each proposal.
* A consensus score will be developed for each project based on submittal requirements identified.
* Consensus scores will be shared with the Board of Commissioners at the April 9, 2018 Work Session.
* The Board may ask for presentations from some, all or none of the proposers.

**Project Funding Agreement:**

* Once the projects are selected by the Board, staff will negotiate a funding agreement including the following key terms:
* Scope and description of project
* Funding for project
* Conditions precedent to funding
* Timeline
* Performance goals and reporting requirements (including annual reporting requirements)
* Interruption of project operation after completion

**All materials relative to the RFP, as well as information shared in this meeting, are**

**available on the Wake County website at** [**www.wakegov.com/roomfoodtax**](http://www.wakegov.com/roomfoodtax/)

**Questions**

1. **Since it is a reimbursable based contract, what is the typical timeframe for turning around funding?**

***Response:*** Well, it depends on when you meet the requirements. For example, Ammons is a competition center where there is an indoor hockey facility, an indoor basketball facility and an indoor volleyball facility. The way we structured his contract, had to do the hockey facility because that was where the biggest ROI was. He therefore had to show a CO that demonstrated that his indoor hockey facility was operable. He also sent us a list of all the events he had booked there. At that point, we released funds for that phase of the project. So, it depends on the project, but it is clearly laid out in the funding agreement.

1. **For something similar to the Ammons example, are you looking for just events in the first year or would you want to see growth over years 2, 3, 4 and 5, etc.?**

***Response:*** Not for him to receive his payment. He certainly had to include that projected growth in his proposal but to get the release of his payment, he just had to demonstrate that he had a certain number of events booked in his first year.

1. **If you are already in construction, when is it too late to apply for this funding?**

***Response:*** Well, we would be looking for the “but for.” If you are already in construction and you can afford to complete your project, it would be unlikely that you would receive this funding. You would need to figure out if there is something additional that you could include in your project, that could not happen without our funding.

1. **When will we know about the presentations in February/March? When will we know about dates and is there a specific format for those meetings?**

***Response:*** We do not have a format. We have a scoring matrix where each project will be judged on the six categories as well as the sub-categories that we just went through. So, if I were preparing a presentation, I would follow along with that order of things so that the evaluation team can easily see if the project has met the requirements they are looking for. With regard to timing, we will certainly work with you to schedule a time when you and your whole team can be present and give your best presentation. We would need to have these meetings complete by mid-March, however, in order to get them to the Board in early April as we have planned. I should mention here that you should think about who else you need to be present at that meeting. You will want to have people there who can address the different elements of the project – numbers, construction, etc. I wouldn’t suggest bringing 10 people but just make sure that you have people who can address the questions as you will receive a wide range of questions from the evaluation team as it consists of people who will be looking at the project from a variety of different angles.

1. **The 50% commitment on funding – is that commitment due by the date the application is submitted or the date that the awards will be made?**

***Response:*** In the RFP, it is written as 50% commitment by the time of the proposal but if you can demonstrate the 50% commitment when the awards are being made, that’s pretty close and it wouldn’t cause you to not be considered. Also, if you’re waiting on a grant decision, you can explain in your proposal that you are expecting a decision on the grant on, for example, March 1st.

1. **Also with regard to the 50% commitment – is that 50% in the bank, or a commitment on paper, or a letter of intent? How does the 50% commitment need to be demonstrated?**

***Response:*** The commitment can be on paper. For example, we did a project with NC State where they were in the midst of a fundraising campaign and they weren’t quite where they wanted to be. They provided us with a list of cash on hand, committed and pending donations and described the gap. They also provided us with information on what they were doing to address the gap.