

**REQUEST FOR HOTEL PROPOSALS
CHEWELAH, WASHINGTON
SPOKANE TRIBE OF INDIANS**



I. INTRODUCTION AND DESCRIPTION OF THE PROJECT

The Spokane Tribe of Indians (“STOI” or “the Tribe”) is pleased to announce this Request for Hotel Proposals (RFP) soliciting prospective developers to construct, own, and operate a new hotel located on Spokane Tribal trust lands located in Chewelah, Washington. The likely instrument that will govern the relationship between the STOI and a winning development entity will, at a minimum, be a land lease agreement. Elements of the land lease agreement will be subject to guidelines of the federal Bureau of Indian Affairs.

II. STANDARD CONDITIONS

1. The Bidder shall be responsible for all taxes, fees, and permits required of this RFP.
2. The Bidder shall be responsible for the proper disposal of any waste generated by this RFP.
3. The Bidder shall serve the Tribe as an independent contractor and shall not be deemed an employee or representative of the Tribe. The Bidder understands and agrees that he/she is an Independent Contractor for whom no Federal or State Income Tax will be deducted by the Tribe, and for whom no retirement benefits, Medicare, survivor benefit insurance, group life insurance, vacation, sick leave, worker’s compensation, unemployment and similar benefits available to the Tribe’s employees will accrue.
4. Any bids received after the date and time of opening shall be rejected and returned to the Bidder unopened. Time shall be determined as indicated on the clock where bids are received.
5. Unless otherwise stated, all bids shall be submitted in the form as outlined in Section 6 (VI) of this RFP.
6. The Tribe reserves the right, in its sole discretion, to reject any or all bid proposals.
7. Faxed bids shall not be accepted.
8. No bid may be withdrawn for a period of less than thirty (30) days after the bid opening.
9. The Bidder shall bear the responsibility to provide all labor, materials, and equipment necessary to perform the services. Bidder shall ensure timely completion of the services. Bidder shall ensure that the services are in conformance with generally accepted work standards. All services shall be in conformance with all applicable federal, state, and tribal laws, ordinances, rules and regulations.
10. The Bidder shall not sublet, sell, transfer, assign, or otherwise dispose of any agreement related to this RFP or any portion thereof, or of his right, title, or interest therein, without written request to and written consent of the Spokane Tribal

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Business Council ("Tribal Council"). However, Bidder may make such transfer to a bank on the condition it provides Tribal Council prompt written notice of such transfer. No subcontracts or transfer or agreement shall in any case release the Bidder of its liability under this agreement.

11. Tribal Council has the right to terminate, without fault, this RFP and the associated bidding processes in whole or in part if the Tribal Council determines, in its sole discretion, that such termination is in the best interest of the Tribe. Any such termination shall be effected by delivery to the Bidder of a Notice of Termination specifying the extent of such termination.
12. The Bidder agrees to indemnify, defend, and save harmless the Tribe and the Enterprises, their officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materialmen, laborers, and any other person, firm, or corporation furnishing or supplying work, services, materials or supplies in connection with this RFP and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Bidder in responding to this RFP and against any liability including costs and expenses for violation of property rights, copyrights, or rights of privacy, arising out of publication, translation, reproduction, delivery, performance, use or disposition of any data furnished under this RFP or based on any libelous or other unlawful matter contained in such data.
13. Failure to provide the requested information at the time the bid proposal is submitted may result in the bid proposal being rejected.

III. SITE LOCATION INFORMATION

A general location map can be found in Exhibit A. The hotel shall be placed on an 80-acre trust parcel located adjacent to US Highway 395, approximately three (3) miles south of the City of Chewelah, and approximately sixty (60) miles north of the City of Spokane.

A pre-determined site pad is established to accommodate the hotel and appurtenant parking not to exceed six (6) acres. Similarly, significant diligence conducted by the STOI's licensed architectural and engineering firm has taken place.

Amenities located on site include a gaming facility that consists of 300 machines, seven tables, and a casual dining restaurant. Also on-site is a significant gas station and C-store, and 15 RV pads. Additional retail improvements are envisioned after a hotel is constructed.

Potential bidders may be allowed access to diligence and schematic site plans subject to execution of a non-disclosure agreement with the STOI (Exhibit B).

IV. MARKET CONTEXT

The following are significant factors that will influence hotel brand and sizing:

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- There are presently twenty-six (26) unflagged lodging rooms within the local Chewelah market. Professional estimates indicate capacity within the market to absorb an additional 70 to 100 rooms with a middle-income flag.
- A market analysis completed in 2016 is currently being updated. An updated analysis will likely be available by October of 2018. Access to the 2016 analysis and the updated analysis is available subject to execution of a non-disclosure agreement with the STOI (Exhibit B).
- The site is located 20-minutes from 49-Degrees North Ski Resort, which is currently implementing a multi-phase, multi-million-dollar expansion project.
- The site is located 15-minutes from the 27-hole Chewelah Golf and Country Club.
- US Highway 395 is the primary corridor between Spokane and Canada. 2016 average daily traffic counts tallied in front of the proposed hotel site are 4,897 southbound trips and 5,017 northbound trips.
- Below are drive-time population figures for the surrounding direct market:
 - 0-30 minutes 14,032;
 - 30-60 minutes 238,065;
 - 60-90 minutes 424,587;
 - 90-120 minutes 86,274;
 - **Total 762,958.**

V. INCENTIVES & TRANSACTION PARAMETERS

The following bullet points outline incentives and transaction parameters that lay the groundwork for a partnership between the STOI and a hotel developer, including the following:

- The likely instrument that will govern the relationship between the STOI and a winning development entity will, at a minimum, be a land lease agreement. Elements of the land lease agreement will be subject to guidelines of the federal Bureau of Indian Affairs.
- A common area maintenance (CAM) fee shall be applied to the project.
- An occupancy tax rate shall be applied to all room nights.
- The STOI intends to carry the burden of infrastructure buildout up to the site.
- The IRS provides an accelerated depreciation rate for taxable projects located on tribal trust lands. Depreciation is accelerated by approximately 30%.
- Local civic support for a new hotel is robust. The City of Chewelah, 49-Degrees North Ski Resort, Stevens County, the Chewelah Chamber of Commerce, and the Chewelah Golf and Country Club are eager to support a hotel project. Coordinated

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marketing and partnerships with room night stimulating stakeholders is well underway.

- Negotiations and formal decisions will take place in private. The STOI, being a sovereign government, is not subject to open meetings and sunshine laws.
- The site is permitted via a 2006 NEPA approved environmental analysis. The 2006 NEPA is currently being updated and an additional public comment period may take place during fall of 2018, as determined by the Bureau of Indian Affairs. Access to all NEPA regulated environmental diligence is available upon request.
- An equity contribution of New Market Tax Credits is a possibility for the project.

VI. CONTENTS OF PROPOSAL

A complete response to this RFP shall include the following mandatory elements:

1. One loose hard copy and one digital copy of the entire proposal;
2. A portfolio that adequately indicates your firm's experience and expertise;
3. Introduction, identification, and contact information of the entire project team;
4. A narrative that describes how you foresee a negotiation process unfolding;
5. A narrative that describes your view of hotel sizing, relevant amenities, and associated brand opportunities;
6. Three references with direct contact information; and
7. Any additional information as you might deem appropriate.

The STOI will conduct diligence to verify the bona fides of firms selected for an interview.

VII. SELECTION PROCESS

Final selection of a qualified firm is at the sole discretion of the five-member elected Spokane Tribal Business Council. A STOI internal review team that includes the Tribal Business Council will vet through proposals and select finalists for interviews/presentations within a reasonable timeframe.

VIII. DUE DATE

Proposals shall be due no later than September 28, 2018. Emailed copies are acceptable with required hard copy post marked no later than September 28, 2018.

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IX. NON-DISCLOSURE AGREEMENT (NDA)

Attached to this RFP via Exhibit B is the STOI's standard protocol template NDA. It is highly recommended bidders execute said NDA to acquire access to confidential information from the STOI.

See Submittals section (below) to remit executed NDAs.

X. INQUIRIES

Inquiries regarding this RFP should be directed to:

Mike Tedesco
Executive Director
Spokane Tribe of Indians
509.458.6502
tedesco@spokanetribe.com

or

Frank Metlow
Planning and Economic Development Director
Spokane Tribe of Indians
509.458.6592
frankm@spokanetribe.com

XI. SUBMITTALS

Provide your digital and hard copy submittals to:

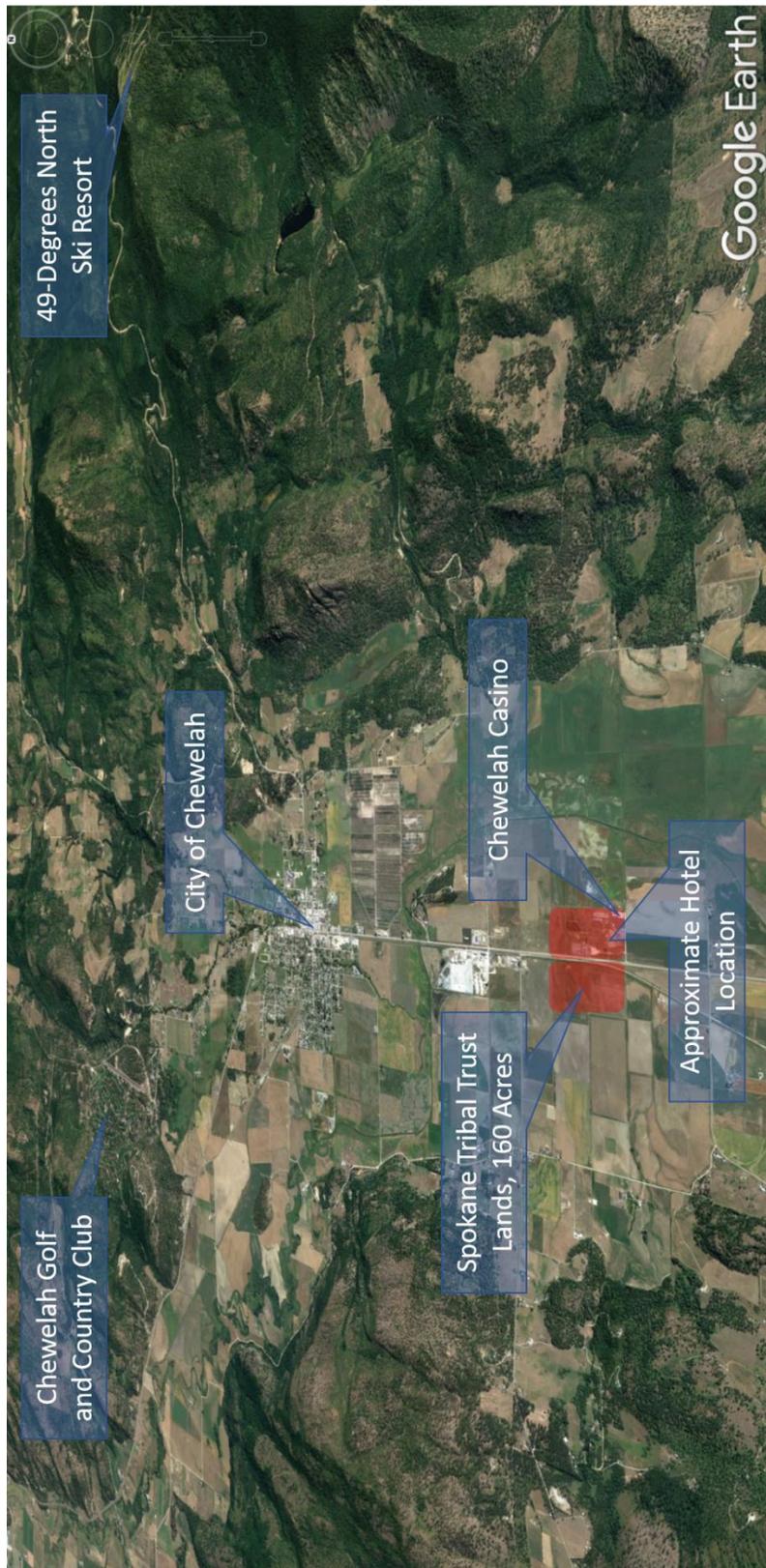
Frank Metlow
Planning and Economic Development Director
Spokane Tribe of Indians
PO Box 100
Wellpinit, WA 99040
509.458.6592
frankm@spokanetribe.com

The STOI does not agree to assume, pay, or to reimburse any cost, expense, or fee incurred or charged by any proposed firm or any other party in connection with this solicitation.

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**Exhibit A
Location**



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Exhibit B

**THE SPOKANE TRIBE OF INDIANS
NON-DISCLOSURE AGREEMENT**

THIS AGREEMENT (the “Agreement”), made effective this _____ [DAY] of _____, _____ [MONTH, YEAR] by and between the Spokane Tribe of Indians (“Tribe”), and _____ [PARTY NAME] (“Recipient”) on the Spokane Indian Reservation, is to assure the protection and preservation of the Tribe’s confidential and/or proprietary information.

WHEREAS, the Tribe agrees to furnish the Recipient, or Recipient has agreed to develop, certain confidential information related to Tribal real estate development activities and such information is owned by the Tribe that is either non-public, confidential, or proprietary in nature (collectively “Confidential Information”).

WHEREAS, the Tribe desires to prevent the unauthorized disclosure of Confidential Information.

WHEREAS, the Tribe is willing to disclose the Confidential Information in consideration of the following covenants and agreements made by the other.

NOW THEREFORE, in reliance upon and in consideration of the foregoing premises, and of the promises set forth below, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged hereby, the Tribe and the Recipient intending to be legally bound, hereby agree as follows:

1. **Confidential Information**. Confidential Information shall mean any and all information or material of the Tribe, whether revealed orally, visually, or in tangible or electronic form, that is not generally known or available to the public, including but not limited to information that contains or relates to:

- (a) the Tribe’s finances, including pricing, costs, revenues, and expenses;
- (b) personnel, employees, consultants and contractors;
- (c) marketing strategies, sales and marketing data, customer lists (including the identity of actual and potential customers) and supplier lists (including the identity of actual and potential suppliers);
- (d) operations, business procedures, know-how and capabilities;
- (e) product designs, drawings, specifications and computer code;
- (f) future technical, business, and marketing plans, and product strategies;
- (g) any information not set forth in clauses (a) through (f) that would qualify under law for protection as a trade secret; and
- (h) this Agreement and its terms, that any discussions and/or negotiations are taking place between the parties regarding the purpose of this Agreement, as well as any information in any form or media that is marked physically or electronically as “confidential” or with words of similar effect as well as all information that the Tribe identifies as confidential at the time of oral disclosure.

Confidential Information shall not include information which the Recipient demonstrates:

- (a) is widely known by the public through no breach of this Agreement or other act by the Recipient;
- (b) the Recipient rightfully knew prior to the time that it was disclosed to the Recipient; or
- (c) the Recipient received from a third party lawfully possessing and lawfully entitled to disclose such information without breach of this Agreement.

2. **Nondisclosure of Confidential Information**. Recipient recognizes and acknowledges the competitive value and confidential nature of the Confidential Information, and the damage that could result to the Tribe if any information contained therein is disclosed. The Recipient will maintain the Tribe’s Confidential Information, as well as any notes or documents prepared by the Recipient that contain, summarize or are otherwise based upon the Confidential Information (“Work Product”), in the strictest confidence and, (i) except with the prior written consent of the Tribe, will not disclose such Confidential Information or Work Product to any third party, or, (ii) except as is reasonably necessary to evaluate the Business Purpose, without the prior written consent of the Tribe, will not use or

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reproduce such Confidential Information or Work Product. The Recipient will maintain all of the Tribe's Confidential Information and Work Product in a safe and secure manner, using physical, virtual and cyber security measures consistent with best industry practice. The Recipient will use all commercially reasonable steps to protect the Tribe's Confidential Information and Work Product from unauthorized or inadvertent disclosure, but in any event, steps no less stringent than it uses to protect its own similar Confidential Information. Notwithstanding anything in the foregoing, the Recipient may disclose the Tribe's Confidential information to the Recipient's affiliates, officers, directors, partners, employees, accountants, lawyers, advisors and other consultants or representatives (collectively "Related Persons"), but only to the extent necessary to pursue the Business Purpose. The Recipient will ensure that all of its Related Persons that received any Confidential Information of the Tribe shall be obligated to maintain such Confidential Information in strictest confidence and otherwise in accordance with the terms of this Agreement. The Recipient shall be responsible for any acts or omissions of its Related Persons that violate the terms or result in a breach of this Agreement.

3. **Return of Materials.** Upon the written request of the Tribe at any time, the Recipient shall, as the Tribe may elect, promptly (i) return to the Tribe or (ii) certify the destruction of all Confidential Information and copies thereof in the possession of the Recipient or any of its Related Persons, provided, however, that Confidential Information of the Tribe disclosed in digital or other electronic form, and any digital or other electronic copies thereof made by the Recipient or any of its Related Persons, must be destroyed using then-industry-standard methods for such destruction.

4. **Notification of Disclosure.** If the Recipient discovers any actual or threatened disclosure of the Tribe's Confidential Information or Work Product, the Recipient shall promptly notify the Tribe and the Party responsible for, or that caused, any such disclosure shall, at its own expense, use all reasonable efforts to remedy any actual disclosure and to prevent any future disclosure.

5. **Excluded Confidential Information.** The obligations imposed by this Agreement shall not apply with respect to any portion of Confidential Information or Work Product which (i) has been approved in writing for release by the Disclosing Party; or (ii) is required to be disclosed pursuant to law or to a final and binding order of a governmental agency or court of competent jurisdiction, provided that the Disclosing Party has been given reasonable notice of the pendency of such disclosure and the opportunity to object, the Receiving Party discloses only such Confidential Information or Work Product as must be disclosed under the circumstances, and the Receiving Party uses its reasonable efforts to secure confidential treatment of such Confidential Information or Work Product.

6. **Obligations.**

- (a) Recipient agrees to review, examine, inspect, or obtain such confidential information solely for advising the Tribe, and otherwise to agree to hold such information pursuant to the terms of this Agreement.
- (b) Recipient shall hold and maintain confidential information in strictest confidence for the sole and exclusive benefit of the Tribe.
- (c) Recipient shall restrict access to confidential information to employees, contractors and subcontractors, and third parties as is reasonably required, and shall require those persons to sign nondisclosure restrictions at least as protective as those in this Agreement.
- (d) Recipient, without advanced written approval of the Tribe, shall not use for Recipient's own benefit, publish, copy, or otherwise disclose to others, or permit the use by others for their benefit or to the detriment of the Tribe, any confidential information.
- (e) Recipient shall return or provide to the Tribe, upon written demand by the Tribe, all confidential information, including all records, reports, notes, photographs, sketches, drawings, models, memoranda, and other written, printed, or tangible materials in Recipient's possession pertaining to confidential information.

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7. **No Partnership or Joint Venture Formed.** Providing Confidential Information pursuant to this Agreement shall not be interpreted to mean that the parties have formed, or will form, a partnership, joint venture, or other relationship. Any business relationship between the parties, if any, must be governed by separate agreement.
8. **Equitable Relief.** Recipient acknowledges and agrees that the Tribe will be damaged irreparably if any provision of this Agreement were not performed in accordance with its specific terms, or otherwise were breached. Accordingly, the Tribe shall be entitled to equitable relief, including, without limitation, an injunction or injunctions to prevent breaches of the provisions of this Agreement, and to enforce specifically this Agreement and its provisions in any action or proceeding instituted in the Tribal Court of the Spokane Tribe of Indians, any court of the United States or any state thereof having jurisdiction over Recipient and the matter.
9. **Severability.** The provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof; *provided that* if any provision of this Agreement, as applied to any party or to any circumstance, is determined judicially not to be enforceable in accordance with its terms, the Parties agree that the court making such determination may modify the provision in a manner consistent with the objectives of this Agreement, such that it is enforceable, and/or delete specific words or phrases, and in its modified form, such provision then shall be enforceable and shall be enforced.
10. **Term.** These nondisclosure provisions shall survive the termination of this Agreement, and Recipient's duty to hold confidential information in confidence shall remain in effect for five years, or until the Tribe provides Recipient written notice releasing Recipient from this non-disclosure Agreement, whichever occurs first.
11. **Termination.** Any breach of confidentiality shall be considered serious and subject to investigation and to possible termination of this Agreement, and appropriate legal action, including, but not limited to, recovery of damages and reasonable attorneys fees and expenses.
12. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Spokane Tribe of Indians.
13. **Counterparts.** This Agreement may be signed in counterparts, which together shall constitute one agreement.

IN WITNESS THEREOF, the parties have executed this Agreement as of the effective date noted above.

AGREED AND ACCEPTED:
SPOKANE TRIBE OF INDIANS

By: _____

Name/Title: _____

Date: _____

AGREED AND ACCEPTED:
_____ [PARTY NAME]

By: _____

Name/Title: _____

Recipient: _____

Date: _____