

# City of Richland Center, Wisconsin Request for Proposal for Hotel Development

**RFP Release Date: December 17, 2024**

## **The Community of Richland Center, Wisconsin seeks hotel developer.**

The City of Richland Center is seeking proposals from qualified hotel developers/management groups to develop a mid to upper-scale hotel within their community. The chosen company/companies must be proficient in community facilitation, positive engagement, as well as have proven industry experience and knowledge.

**If your company or group has questions regarding this RFP,  
please contact the Economic Development Office  
by phone at (608) 475-0766 Ext 225 or by  
email at [jasen.glasbrenner@richlandcenterwi.gov](mailto:jasen.glasbrenner@richlandcenterwi.gov).**



# WHAT YOU NEED TO KNOW ABOUT RICHLAND CENTER

## COMMUNITY HIGHLIGHTS

Nestled in the heart of Richland County, Wisconsin, Richland Center is a city that beautifully blends historical charm with modern aspirations. A charming community of approximately 5,000 residents, it's known for its unique architectural heritage. Richland Center boasts a Downtown Historic District that offers quaint shopping experiences and vibrant business opportunities. This district is a testament to the city's rich history and commitment to preserving its cultural landmarks.

Richland Center is a city with a vision for the future and is poised for economic and community development. Richland Center is actively pursuing avenues for economic growth and revitalization. The City's Comprehensive Plan for 2022-2032 highlights the need to attract visitors and young residents by enhancing the vibrancy of its downtown area. A significant component of this plan is the proposal to introduce a hotel, addressing the current shortage of accommodation options and meeting the high demand for stayovers. This initiative is designed to be bolstered by supporting commercial enterprises such as Schreiber Foods, Foremost Farms USA and Rockwell Automation. It also serves to support local small businesses, eateries and offices, which altogether aim to create a dynamic environment where people can live, work, and play.

Richland Center is a community-oriented city that values both its residents and visitors. The efforts to rejuvenate the downtown area are not only intended to boost the economy but also to enhance the quality of life for those who call the city home. By fostering an environment that supports business growth and community engagement, Richland Center aims to remain a welcoming and thriving place for all.



# WHAT YOU NEED TO KNOW ABOUT RICHLAND CENTER

## DESIRED HOTEL PROJECT OUTCOME

The Feasibility Study performed by Core Distinction, LLC on behalf of the City of Richland Center indicates that the property segment for the potential development is an Upper Midscale to Upscale hotel. The recommended property size of a newly developed hotel would be between 45-55 guestrooms. This would position it to be smaller in size compared to the average hotel of 99-110 rooms. The recommended Sleeping Room Configuration should be compatible with the overall Market Segmentation of the area. The property should offer a comparable selection of guestrooms with both single occupancy king bedded rooms to double occupancy double queen bedded guestrooms. The City anticipates a 4-Story building and offered amenities such as a guest wine & beer bar, free hot breakfast for all guests, guest fitness room, guest laundry room, meeting room, a pool, and an elevator. The building exterior should be a Main Street Style design. For the purposes of this project, a "Main Street Style Hotel" refers to a hotel located on a town's main street, typically with a charming, classic aesthetic that reflects the character of the surrounding area, often featuring quaint decor and a cozy atmosphere, situated within walking distance to local shops and restaurants.

## PROPOSED SITE INFORMATION

### Downtown Richland Center

The selected hotel site is located on the bustling corner of Highway 14 and Court Street and is strategically positioned in the heart of the city. This site offers significant potential to serve as the gateway to Historic Downtown. Conceptual design work of the site indicates adequate space for our desired build.



### Key Advantages:

- **Visibility and Accessibility:** The corner of Highway 14 and Court Street ensures high visibility and easy access for travelers and visitors, making it an ideal spot for attracting potential guests.
- **Proximity to Attractions:** Nestled close to local attractions, shopping areas, and dining establishments, this site offers convenience for tourists looking to explore the vibrant culture and history of Richland Center.
- **Economic Activity Hub:** As a central point in the city's economic landscape, this location benefits from steady foot traffic and ongoing business activities, providing a solid customer base for a new hotel.

With these compelling benefits, the proposed site stands as a promising location for a successful hotel venture, tapping into the economic vitality of Downtown Richland Center.

# WHAT YOU NEED TO KNOW ABOUT RICHLAND CENTER

## PROPOSED SITE INFORMATION

### Downtown Richland Center

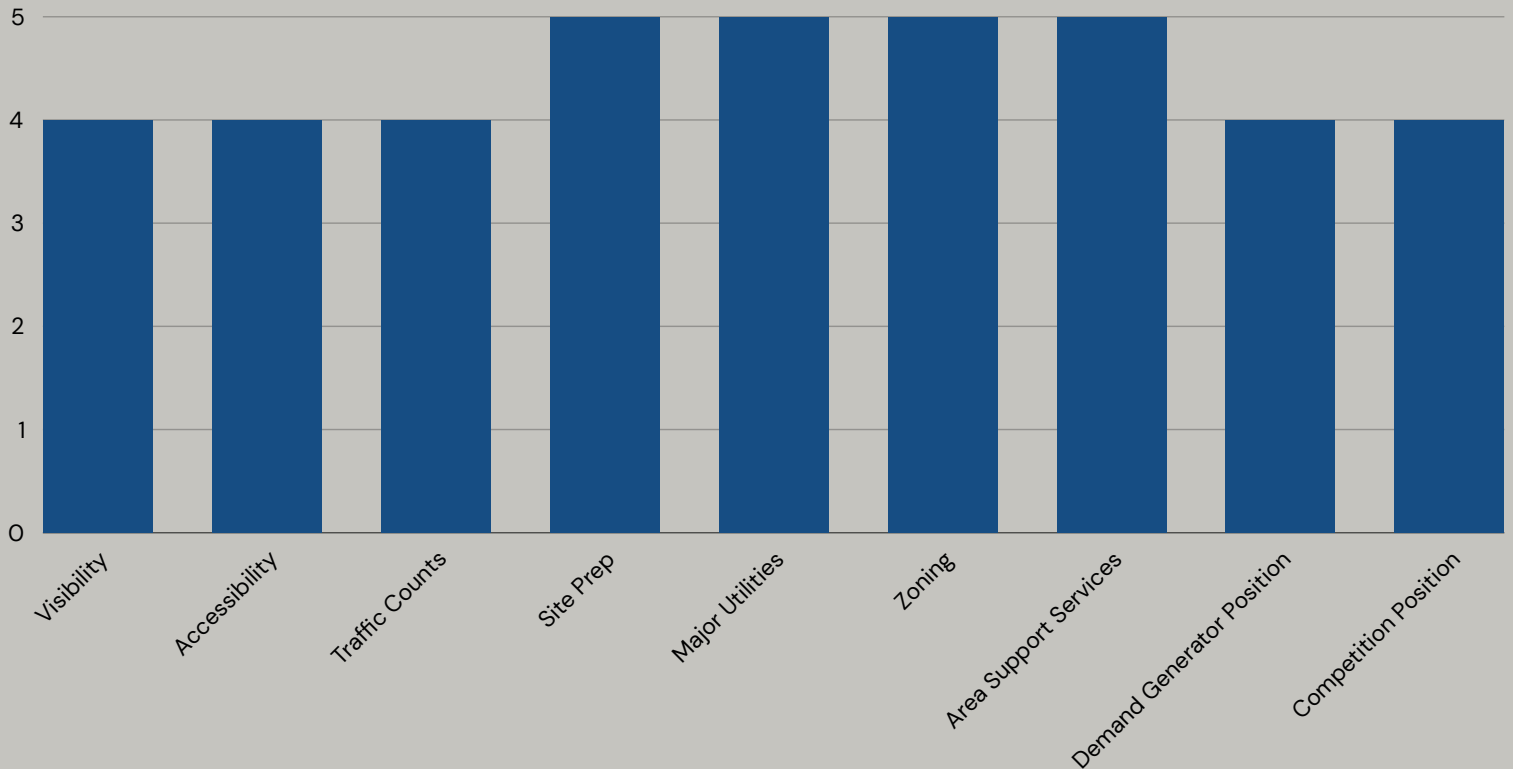
These photos capture the intersection of Highway 14 and Court Street from the perspective of the opposite side of the street. This busy intersection is flanked by notable businesses, including being located across the street from Kwik Trip and adjacent to The Phoenix Center Bowling & Banquet Center. Several other businesses further contribute to the lively commercial atmosphere of the area.



# WHAT YOU NEED TO KNOW ABOUT RICHLAND CENTER

## SITE ANALYSIS

A site analysis performed by Core Distinction Group, LLC as is included in the Hotel Market Feasibility Study scores the site attributes as follows:



## HIGHLIGHTS OF THE HOTEL FEASIBILITY STUDY AND FINANCIAL PROFORMA

Please see the table below in reference to key highlights from the Comprehensive Hotel Market Feasibility Study and Financial Proforma as performed by Core Distinction Group, LLC.

### DEMAND GENERATOR SUMMARY

See Pages 42 - 49 of the Feasibility Study

### LODGING SUPPLY SUMMARY

See Pages 50 - 94 of the Feasibility Study

### PROPOSED SITE/SITES SUMMARY

See Pages 21 - 23 & Page 26 of the Feasibility Study

### ECONOMIC OVERVIEW SUMMARY

See Pages 13 - 18 of the Feasibility Study

### PROPOSED HOTEL SUMMARY

See Page 132 of the Feasibility Study

# WHAT YOU NEED TO KNOW ABOUT RICHLAND CENTER

## HIGHLIGHTS OF THE HOTEL FEASIBILITY STUDY AND FINANCIAL PROFORMA

### FINANCIAL PROFORMA HIGHLIGHTS

Using a 54-unit hotel model, the total project costs were estimated at \$10 million, and the projected ROI is as follows:

FIVE YEAR PROJECTED HOTEL DEVELOPMENT TOTAL RETURN ON INVESTMENT (ROI)				
YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
8.17%	9.69%	11.80%	13.44%	15.15%

### ECONOMIC INCENTIVE TOOLS AVAILABLE

The City has a number of Economic Incentive Tools available and at their disposal should they be needed to support the hotel development. These incentives act as financial catalysts that may enhance the feasibility and long-term profitability of this hotel project.

- 1. Infrastructure Support:** The selected site is complete with access to sufficient water, sanitary sewer and electric utilities. Impact and connection fees will be extremely minimal.
- 2. Sale of City-Owned Land:** The opportunity to purchase city-owned land at reduced price.
- 3. City Investment:** The City is actively pursuing the implementation of a Tax Incremental District (TID) and is willing to consider a TIF incentive should the need arise.
- 4. Environmental Studies:** A Phase I Environmental Study has been performed at the City's expense. The Phase I Study determined that no additional environmental site assessment was required.
- 5. Grants and Subsidies:** The City is willing to facilitate application to any grants and subsidies that may be available to support the development.

### SELECTION TIMELINE, REQUIREMENTS AND CRITERIA

#### APPROXIMATE SELECTION TIMELINE:

January 2025 - February 2025: Solicitation of Proposals

February 2025 - March 2025: Selection of Hotelier

March 2025 - April 2025: Development Agreement and Land Transaction

Summer 2025: Potential Construction Start

# SELECTION TIMELINE, REQUIREMENTS AND CRITERIA

## PROJECT FEASIBILITY AND FINANCIAL PROFORMA REFERENCED IN THIS RFP:

- Comprehensive Hotel Market Feasibility Study conducted by Core Distinction Group, LLC
  - [https://www.richlandcenterwi.gov/sites/default/files/fileattachments/economic\\_development/page/2702/2023-1031\\_hotel\\_market\\_and\\_feasibility\\_study\\_by\\_core\\_distinction.pdf](https://www.richlandcenterwi.gov/sites/default/files/fileattachments/economic_development/page/2702/2023-1031_hotel_market_and_feasibility_study_by_core_distinction.pdf)

## EACH PROPOSAL MUST, AT THE MINIMUM OFFER THE FOLLOWING:

- A list of similar projects completed.
- A list of industry related references including name, title, company, project description, email and phone number.
- A description of the firm's proposed project approach, demonstrating an understanding of the project and its intended deliverables.
- A detailed description of estimated cost for project including construction, FF&E, pre-opening expenses and other soft costs.
- A detailed estimate of the financial assistance requested from the City to support the project and detailed Proformas with and without City assistance to demonstrate financial feasibility.
- An estimated project timeline from execution of purchase agreement through opening.
- A designated contact person with name, title, phone and email information.

## THE COMPANY SELECTED WILL BE DONE SO BY THE FOLLOWING CRITERIA:

- Experience, Expertise and Credibility of the Company's Team
- Demonstrated Success by the Company in Completing Projects
- Diversity in Funding Sources
- Proposed Schedule
- Quality and Professionalism of Submitted Proposal
- Capabilities to Provide Required Services
- Demonstrable Experience Working with Similar Sized Communities
- Project Manager Experience and Qualifications
- Strength and Experience of Assigned Staff
- Project Understanding and Approach
- References

## Site Visits and Presentations

- Site Visits should be scheduled through the City of Richland Center Department of Economic Development.
- The community intends to select one or more respondents to make in-person presentations to the selection committee before identifying a team with which to begin negotiations for the agreements.

# CONTACT INFORMATION

For more information or questions, please contact the City of Richland Center Department of Economic Development.

**Economic Development Director, Jasen Glasbrenner**

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