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# HOTEL REQUEST FOR PROPOSAL



GREENSBURG  
COMMUNITY  
DEVELOPMENT  
CORPORATION

Development Opportunity in Greensburg,  
Pennsylvania.

**The City of Greensburg & The Greensburg  
Community Development Corporation**

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## ABOUT THE GREENSBURG COMMUNITY DEVELOPMENT CORPORATION

The Greensburg Community Development Corporation (GCDC) is a private, non-profit organization established to assist with the development of downtown Greensburg. Since its inception in 1972, the GCDC has assisted city businesses, institutions, property owners, residents and city government in implementing community development programs. For nearly 50 years, the GCDC has obtained dilapidated properties for redevelopment, secured land for structures such as the Seton Hill Arts Center, and helped to attract new businesses. The organization has also worked to increase customer traffic and residential living within the Downtown District, the Healthcare District, and City neighborhoods. To learn more about the Greensburg Community Development Corporation, visit [thinkgreensburg.com](http://thinkgreensburg.com).

# ABOUT GREENSBURG

Founded in 1799, Greensburg remains the cultural, government, and legal center of Westmoreland County. The neighborhoods of the City are diverse with each possessing a distinct charm. The restored County Courthouse, Palace Theatre, and the Train Station showcase the architectural style of the late 1800's and the high level of civic pride in our history. The numerous billiard halls and membership clubs of the early 1900's have been replaced with coffee shops, specialty retail stores, and tattoo shops. New apartments with modern style and features complement the historical houses of the Academy Hill neighborhood.

The City has maintained its desirability as a place to live. Residents have pride in their neighborhood featuring tree lined streets, sidewalks, neighborhood businesses, public green space, and community parks. Two major universities bookend the City providing residents with an opportunity to earn a degree or take classes for enjoyment and experience lectures and performances. Seton Hill University and the University of Pittsburgh at Greensburg are not only education centers but significant contributors to the local economy. The City also houses well-known companies such as Excela Health Westmoreland Hospital and the Tribune Review.

City residents enjoy year-round entertainment with a close proximity to many key entertainment, cultural, and recreational amenities. The Five Star walking/biking trail, Mt. Odin Golf Course, Lynch Field and Kirk Nevin Arena provide residents with outdoor recreation opportunities. The summer performances at the Robertshaw Amphitheater in St. Clair Park balance the fall and winter events schedule of the Palace Theater, the Westmoreland Museum of American Art, and the Seton Hill University Performing Arts Center.

Equally important factors making Greensburg a unique place to live are the retail stores of the downtown shopping district and the churches of all faiths. The numerous restaurants and bars located throughout the city make it a fun, unique place to live and are a key part in the popularity of Greensburg. In many ways, Greensburg reflects our society and the region while possessing an appreciation of our history.



The Westmoreland County Courthouse



The Greensburg Train Station

# HOTEL FEASIBILITY STUDY

In the spring of 2017, the City of Greensburg and the Greensburg Community Development Corporation hired strategic consulting service, Tripp Umbach, to conduct a hotel feasibility study for downtown Greensburg. After evaluating regional hotel market supply and demand, completing an analysis of the proposed site, conducting interviews with local key business leaders, and implementing in-depth research on the local economy, Tripp Umbach concluded, "The City of Greensburg has support for a new hotel by local leaders and residents."

Downtown Greensburg is an emerging cultural and tourist location. There are lodging offerings in the Greensburg region, but not in the downtown core. Investments in attractions such as the renovated Palace Theatre, Westmoreland Museum of American Art, the Seton Hill University Performing Arts Center (opened in 2009) and Arts Center (opened in 2015) have breathed new life into a once sagging downtown corridor. With the nearest hotel 2 miles away from the city core, Greensburg has a need for a true downtown hotel. The feasibility study recommends a small-scale hotel with 60-80 rooms.

Based on Tripp Umbach's findings, the City of Greensburg, along with the Greensburg Community Development Corporation, are conducting a search for potential developers interested in building a downtown hotel. The suggested hotel location is the Troutman building at 225 South Pennsylvania Avenue. For more information regarding the proposed hotel or the feasibility study, please contact Ashley Kertes at 724-689-0040 or via email at [GCDC@thinkgreensburg.com](mailto:GCDC@thinkgreensburg.com).

**"Partnerships with community and regional institutions will ensure the hotel's success."**

## THE PALACE THEATRE

Approximately 50% of the 15,000 tickets sold were to patrons outside of Westmoreland County and approximately 10% were to patrons who reside outside of Southwest Pennsylvania and the State of Pennsylvania.

With a growing reputation and a rejuvenated concert and performance lineup, the theatre will likely continue to attract additional patrons from outside the region and drive the need for a downtown hotel.

## SETON HILL UNIVERSITY & PITT GREENSBURG

Tripp Umbach estimated that each of these schools – through various needs such as conferences, professor visitations, and other professional matters – would drive demand for a downtown hotel by an additional 25-75 room a year, with an additional 50 or so coming from athletics.

## LAUREL HIGHLANDS VISITORS BUREAU

According to a 2016 survey done by Tripp Umbach for the Laurel Highlands Visitors Bureau (LHVB), more than one-third (39%) of survey takers stayed overnight. Additionally, research has found that visitors are willing to spend more (\$140-\$200) than the daily rate reported by STR Travel Research Firm (\$100).

# HOTEL FEASIBILITY STUDY

As part of the hotel feasibility study, Tripp Umbach conducted a survey to collect input from tourist populations visiting the Laurel Highlands regions. The following data was collected from that survey and represents evidence to show a possible future increase in hotel demand in Greensburg and the surrounding area.



The Westmoreland Museum of American Art

- More than one-third (**40%**) of survey takers stayed overnight.
- Visitors are willing to spend more to stay overnight in the area (\$140-\$190) than the average daily hotel rate of \$100.
- A majority (**80%**) of respondents were from outside Westmoreland County.
- About **44%** of tourists come from a state other than Pennsylvania.



The Robertshaw Amphitheatre in St. Clair Park



The Palace Theatre

# INCENTIVE PROGRAMS



## LERTA Program:

LERTA stands for Local Economic Revitalization Tax Assistance. It allows local taxing authorities to provide real estate tax incentives for new commercial construction and existing commercial construction when the footprint is increased. The hotel project would qualify for this program and the owner(s) would realize an exemption of 25% of taxes on the improved assessed value for a period of ten years.



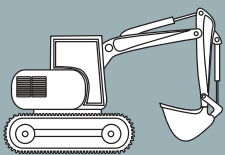
## RACP Grant:

Public funding from the state's Redevelopment Assistance Capital Program (RACP) may be awarded to support a downtown hotel.



## Facade Improvement Grant Program:

This program provides financial assistance to complete building or storefront renovation/restoration projects in the form of matching grants. Grants are awarded to approved renovation projects with the committee typically expecting a 50-50 matching cost basis up to \$5,000.



## DEMOFUND Program:

Administered by the Westmoreland County Department of Planning and Development, this program helps to alleviate the costs associated with the demolition of blighted property. An amount of up to \$25,000 may be awarded to assist with the demolition of the adjacent property at 205 S Pennsylvania Avenue.



## Business Soft Cost Grant Program:

This program is aimed at strengthening the City's business base and stimulating growth. Grant funds will reimburse all or part of the soft costs associated with opening or expanding a business in the City of Greensburg, including, but not limited to; architectural fees, survey and/or soil scientist fees, engineering fees, legal fees, design fees, and consultant fees.

**For more information on any of the above incentive programs, please contact Ashley Kertes at 724-689-0040 or [GCDC@thinkgreensburg.com](mailto:GCDC@thinkgreensburg.com).**

# THE PROPOSED PROJECT

The City of Greensburg and the Greensburg Community Development Corporation are soliciting responses to this Request for Proposal “RFP” for the design, financing, construction and operation of a hotel. The City of Greensburg will select the development team and enter into such development and financing agreements as necessary.

The City of Greensburg envisions the development of the site, as described in this RFP, as a necessary and critical step in the continued growth of Greensburg. The existing building at 225 S Pennsylvania Avenue, owned by Downtown Commons LLC, is the suggested location. This location would also include the purchase of the adjacent building at 205 S Pennsylvania Avenue. Although 225 S Pennsylvania Avenue is the suggested location for the hotel, other sites will also be considered. Parking for the hotel will be in spaces owned and/or operated by the City. The City will speak more about parking at an onsite tour and even further with the selected developer.

After a development team is selected, there will be an additional due diligence period. Ultimately the selected development team (“Developer”) and the City shall enter into a development agreement providing for the development of the project pursuant to a development plan, a schedule and a financing plan.

The City of Greensburg seeks the development of a high-quality, boutique hotel. The site should provide an opportunity to develop uses that can enhance the attractiveness of the area for out-of-town visitors, as well as residents.

This RFP does not expressly require any other specification, so as to allow maximum creative latitude to the development teams. The City expects competent, efficient management to operate and market the hotel.



The above rendering, designed by Desmone Architects, reflects one possible hotel design. The suggested Greensburg Hotel location lies on the corner of W. 2nd Street and S. Pennsylvania Avenue, both of which are one way streets. Standing at six stories tall, it would complement the Troutman building and bookend the Second Street Block. The hotel may have brick exterior and punched openings to fit the context of its surroundings. For personality, a glass atrium box may stand at the street corner. This architectural feature is a terminated vista as the adjacent streets run towards the hotel. The hotel may be stepped back from the street allowing for a canopy drive through/valet parking. With a gross square footage of 46,766 the Hotel on S. Pennsylvania Avenue could have an office/meeting space, a cafe, a bar, and 51 guest rooms ranging from 310sf – 520 sf.



# PROPOSAL PROCESS

**OBJECTIVE FOR THE SITE:** The City of Greensburg and the Greensburg Community Development Corporation are looking for a best-in-class hotel developer for the site to enhance the downtown area. The suggested hotel location is 225 S Pennsylvania Avenue; however, other proposed sites will be considered.

**RFP PROCESS:** Submit specific proposals outlining responses to each section outlined below along with vision and qualifications. Proposals should be sent to Ashley Kertes at the Greensburg Community Development Corporation by March 1, 2019. Proposals will be reviewed, and presentations will be arranged for a short list of finalists.

## DESIGN AND ARCHITECTURE:

Design Approval

Design approval by the City of Greensburg, the Greensburg Community Development Corporation, and the City's Historical & Architectural Review Board

Statement of Qualifications

Please submit a statement of qualifications and portfolio samples for a project of this nature.

Construction & Architect

Please provide the names of the proposed developer, architect, and any/all general contractors that you intend to work with on this project.

## SITE PLAN:

Hotel Size

Provide estimated room type counts, number of floors, square footage of each room by type, and approximate square footage.

Architecture and Site

Please provide as much information as possible about proposed plans including site map, floor plans, parking plan, amenities, and renderings.

## BUSINESS PLAN:

Rates and Occupancy

Please provide information related to your business plan for the hotel including expected average room rate and occupancy.

Hotel Management

Please provide information about the proposed hotel management company.

Hotel Branding

Please provide proposed hotel brand(s) to be associated with the proposed site.

Offer

Please outline proposed terms, rates, and structure for a ground lease. If a sale is desired, please specify price and terms.

Financial Qualifications

Please include financial qualifications for the developer.

Schedule

Please include information on proposed timing.

Capital Structure and Financing

Please include information concerning the proposed capital structure, including amount of cash equity contribution, and information concerning construction and permanent financing for the proposed project.



# PROPOSAL PROCESS

## TERMS AND CONDITIONS:

### General Terms and Conditions

Nothing contained herein shall be binding upon either party unless and until purchase or lease agreement containing such terms and conditions has been further negotiated, mutually agreed upon and have been fully executed and exchanged by and between both parties.

### Confidentiality

The parties hereto expressly agree that there shall be no press release or other publicity originated by the parties hereto, or any representatives thereof, concerning the subject lease transaction, without the prior consent of both parties.

### Submittal

Should you decide to respond to this inquiry, please do so in writing, and provide your response to each section in the order in which they are presented herein. Responses are due by 5:00 pm on Friday, March 1, 2019. If you have any questions regarding the inquiry, please contact:

City of Greensburg Planning Department  
Barb Ciampini | bciampini@greensburgpa.org | 724.838.4334  
416 S. Main Street, Greensburg, Pennsylvania 15601

Greensburg Community Development Corporation  
Ashley Kertes | GCDC@thinkgreensburg.com | 724.689.0040  
101 Ehalt Street, Suite 111, Greensburg, Pennsylvania 15601



**Proposed Hotel Location**

***Architectural renderings and specifications referencing the proposed hotel site provided by Desmone Architects.***



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