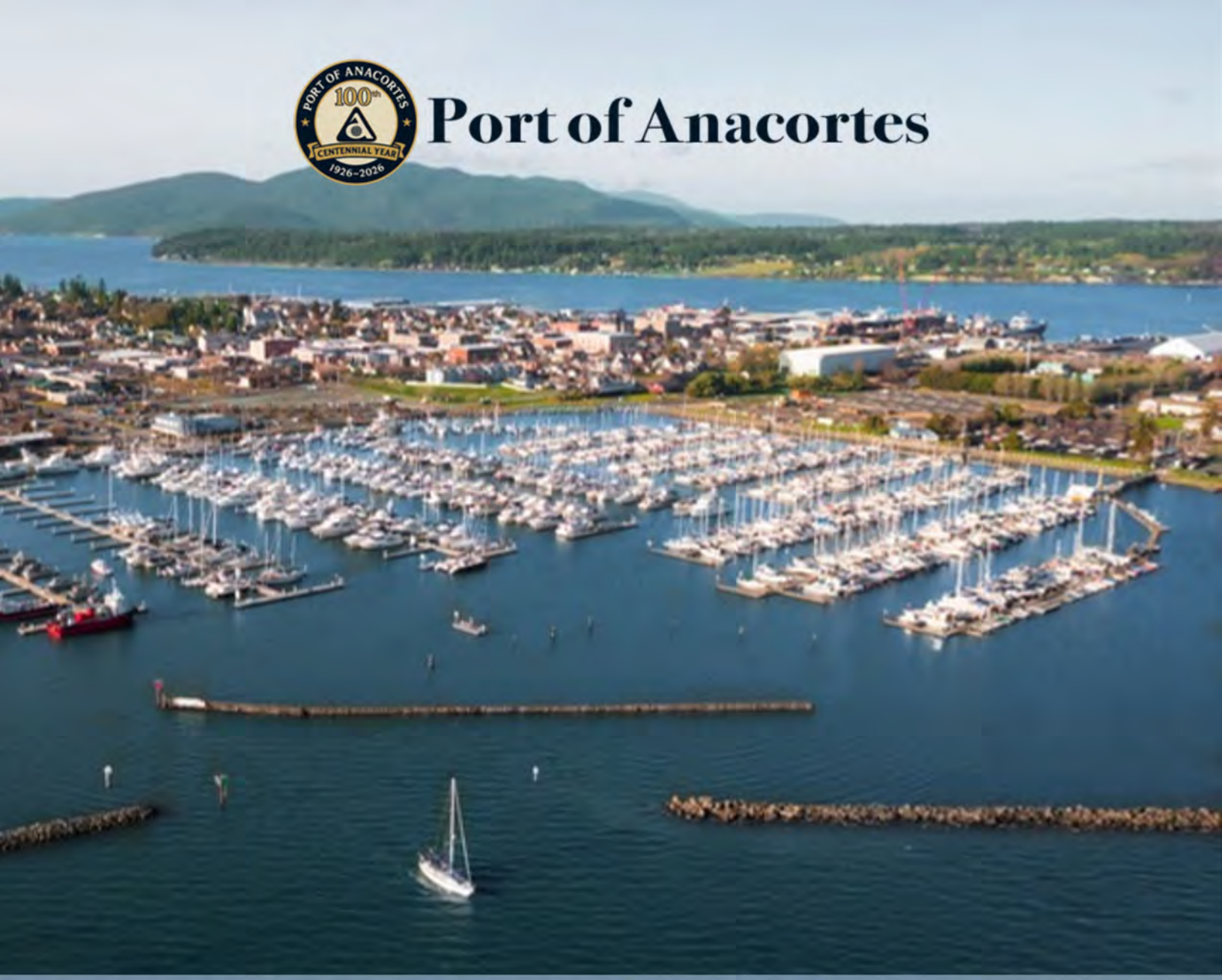
Port of Anacortes



REQUEST FOR PROPOSALS

Waterfront Hotel Development Opportunity

RFP DUE DATE
August 27, 2026

RFP REGISTRATION:
tinyurl.com/RFP-POA

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Port of Anacortes

LEGAL NOTICE

RFP Title: Pad D Waterfront Hotel Development Opportunity
Issuing Agency: Port of Anacortes
Pre-Submittal Questions Due By: July 31, 2026 @ 5pm (PST) Response Due Date: August 27, 2026 @ 5pm (PST)

The Port of Anacortes invites qualified development teams to submit proposals for the ground lease and development of a hotel on Pad D, a premier waterfront site within the Port's Cap Sante Marina district.

The Port is seeking a developer with demonstrated experience in hospitality and mixed-use development to design, finance, construct, and operate a high-quality hotel that enhances the waterfront experience and supports the region's growing visitor economy.

Proposals must be submitted electronically via the Port's designated procurement platform. Late submissions will not be accepted. The complete RFP document, including all submittal requirements, can be viewed at: tinyurl.com/RFP-POA

Interested parties need to register (free of charge) to download the documents.

Submitters can request that the Request for Proposal be translated into Spanish or another language as needed, upon request.

Published [July 9, 2026]: Skagit Valley Herald and Seattle Daily Journal of Commerce

STATEMENT OF OPPORTUNITIES

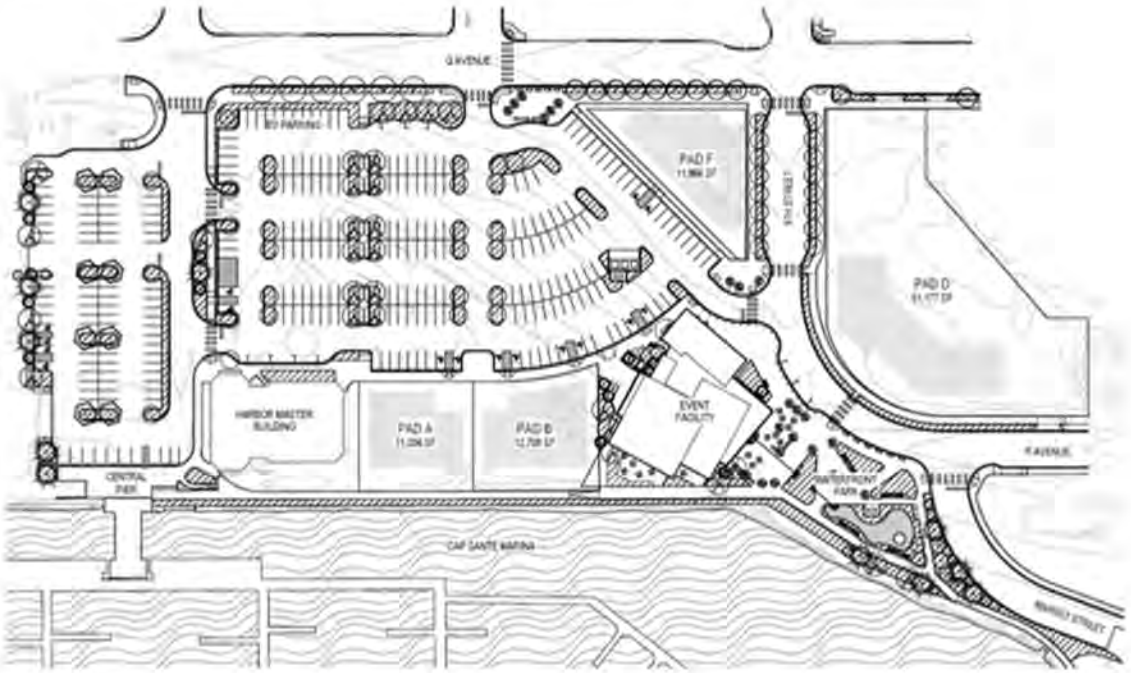
Purpose

The Port of Anacortes is seeking a highly qualified developer to deliver a destination hotel project that reflects the character of Anacortes while elevating the waterfront as a year-round economic and recreational hub. This solicitation represents a rare opportunity to secure a long-term ground lease on a highly visible waterfront parcel and to create a hotel development that serves as an anchor for waterfront activity.

The Opportunity

Pad D is positioned within one of the most desirable waterfront environments in Washington State, within walking distance of downtown historic Anacortes and only a few miles from the ferry terminal to the San Juan Islands. The Port envisions a hotel that:

- Serves marina users, tourists, and regional visitors
- Complements the new public Event Facility currently in entitlement. The adjacent event facility will allow the hotel owner to focus on maximizing room count while still receiving the benefit of a large-scale event facility next door that will need accommodations.
- Promotes activation of the public realm with complementary uses of spaces such as: restaurant, café, and gathering space.
- Supports year-round visitation, not just peak season demand.



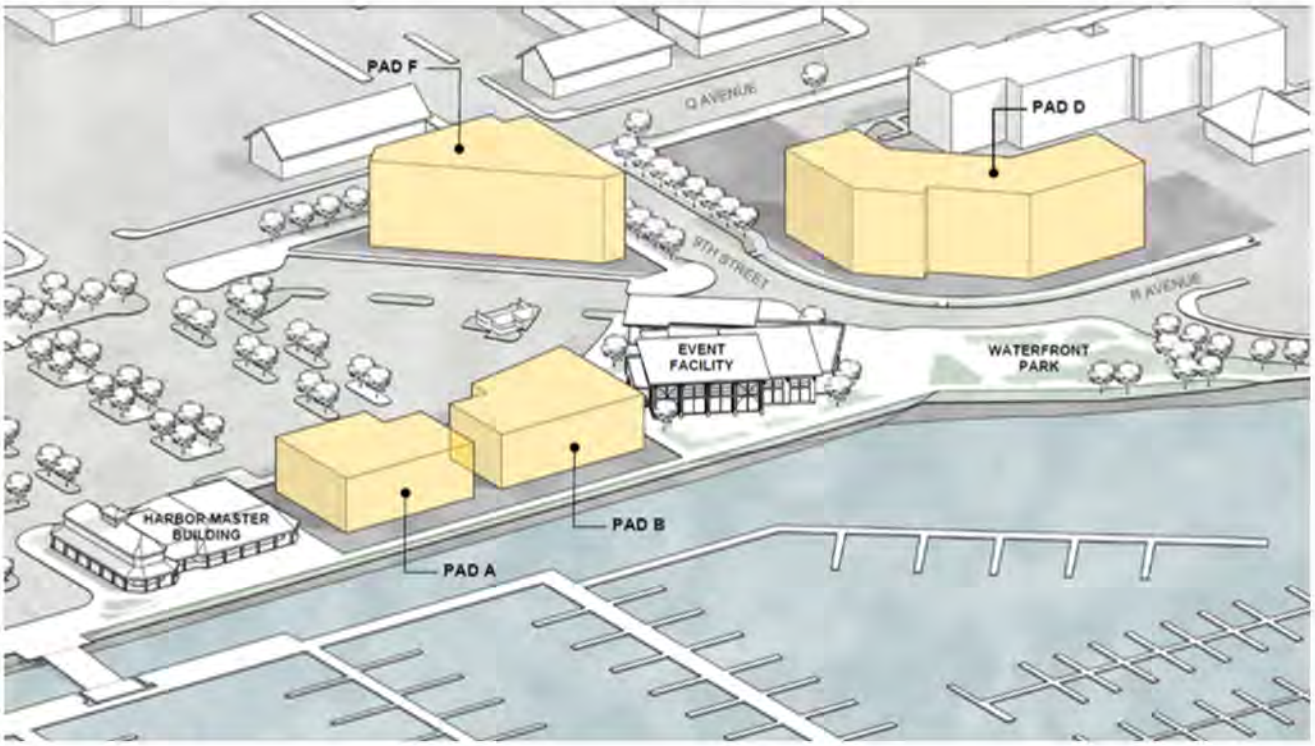
1 West Basin Site Plan

STATEMENT OF OPPORTUNITIES

Scope

The selected development partner will enter into a long-term ground lease (anticipated 50–80 years) and will be responsible for full project delivery, including financing, entitlements, design, construction, and operations. Development obligations will include construction of the full 51,177sf parcel (shown as Development Area D and E on the adjacent conceptual site map), including the dedicated parking lot, coordinating with the Port on connections to the surrounding public areas, and installing a public benefit and/or art element at the corner of 9th Street and Q Avenue that serves as the entrance to the new waterfront community, grounded by the hotel. Utility connections are in existence.

The Port will be developing complementary public infrastructure, a park, an event facility, and shared parking during the same estimated timeline for construction of the hotel. Three additional parcels designated as mixed-use retail and restaurant will be offered for ground lease in 2026/2027 to form this re-envisioned waterfront destination.



SELECTION PROCESS & TIMELINE

ITEMS	DATE
Request for Proposal Posted	July 09, 2026
Pre-Submittal Questions Due	July 31, 2026
Proposals Due	August 27, 2026
Developer Interviews	September 8-11th, 2026

MINIMUM QUALIFICATIONS

Qualified Developers must demonstrate they meet the following minimum requirements to participate in this RFP Response. Parties that do not demonstrate compliance will not be considered.

Registered US Firm: Provide a copy of your Formation Certificate and Operating Agreement and demonstrate you are authorized to do business in the State of Washington.

Non-Discrimination Policy: Demonstrate the company complies with RCW 49.60.530. The contractor shall not discriminate based on race, color, national origin, or sex in the performance of this contract. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.

Minimum Insurance Requirements: Provide proof of insurance with the following minimum requirements that can name the Port on a primary and noncontributory basis:

- Commercial General Liability for the Project with policy limits not less than $2,000,000 per occurrence and $4,000,000 general aggregate.

Preferred Experience:

- Demonstrated experience with Public/Private Development Projects in the past 7 years.
- Demonstrated experience with projects of similar type to those proposed for this development, including midrise hospitality and destination hotel.
- Demonstrated experience showing financial capacity to complete the project and a viable private funding plan for this development.

BACKGROUND INFORMATION

ABOUT ANACORTES

Set between the San Juan Islands and the Pacific Northwest mainland, Anacortes occupies one of the most compelling waterfront positions in the region. As the primary gateway to the islands, the city captures a rare mix of tourism, maritime activity, recreation, and year-round economic energy that few coastal markets can replicate.

At the heart of the experience is Cap Sante Marina — a vibrant, working waterfront where boaters, travelers, and locals converge against a backdrop of mountain views, island access, and an active downtown core. Visitors arrive with intention: to launch into the San Juans, explore the coastline, stay on the waterfront, shop and dine in historic downtown Anacortes, and experience a destination that feels both authentic and elevated.

What makes Anacortes especially powerful from a development perspective is its balance. It delivers the character and natural beauty of a destination market, paired with the infrastructure, accessibility, and stability of a thriving year-round community. That dynamic continues to drive demand for hospitality, mixed-use, and visitor-serving investment opportunities along the waterfront.

The Port of Anacortes has been instrumental in shaping that momentum through long-term investment in marina operations, industrial lands, and strategic real estate development. The result is a waterfront positioned not just as a place to visit, but as a place to invest in the future of the region.

Port of Anacortes

Mission Statement

In partnership with public agencies and private business, develop and manage facilities and services which stimulate private job creation and commerce, while protecting the quality of life, needs, and desires of area residents.

WHY INVEST AT THE PORT OF ANACORTES?

Investing at the Port of Anacortes presents an exceptional opportunity for hotel developers looking to make their mark in the Pacific Northwest. Home to approximately 18,255 residents with a median household income of $101,615, Anacortes punches well above its size as a visitor destination.

The city serves as the sole departure point for Washington State Ferries service to the San Juan Islands, a route that requires a minimum of four vessels year-round due to limited capacity and high demand. The Anacortes/San Juan Islands ferry route saw a boost in total riders of 1.8% in 2025, with vehicles growing 2.3% and foot passengers climbing 3.8% — part of a statewide system that surpassed 20.1 million total riders in 2025, the strongest annual total since before the pandemic. This steady, growing stream of regional and international visitors funneling through Anacortes makes it an ideal setting for hospitality ventures that cater to adventurous and leisure-seeking guests.

Anacortes enjoys robust year-round demand, unlike many coastal destinations that experience seasonal fluctuations. Cap Sante Marina, located in Fidalgo Bay near Cap Sante Head and within walking distance of historical downtown Anacortes, is a centerpiece of that demand. During a recent 12-month study period, the marina hosted 7,388 guest vessels representing an estimated 23,000 visitors, with each vessel staying an average of 2.7 nights — totaling nearly 20,000 moorage nights. Guest boaters arrived from across the Pacific Northwest and beyond, with top states of origin including Washington, Oregon, California, Arizona, and Idaho, reflecting the marina's broad geographic draw. With over 100 guest slips accommodating vessels up to 130 feet, and reservations bookable up to a year in advance — and highly recommended during the busy summer season — the marina's consistent activity from boaters and yacht owners creates reliable demand for overnight accommodations and a stable revenue foundation for hotel investments.

This marine visitor traffic translates directly into measurable local economic impact. Within the 1,000-slip marina, guest boaters spent an average of $1,437 per party with Anacortes businesses, generating over $10 million in total local spending during the study period. That spending supported 70 jobs and $3.3 million in labor income across direct and indirect impacts. Restaurants and bars were the top spending category, with 80% of boaters reporting expenditures there, followed closely by groceries at 77%. Notably, 13% of guest boaters reported spending on lodging — at an average of $648 per party among those who did — underscoring an unmet demand for quality accommodations within the harbor area. Nearly nine in ten guest boaters visit Downtown Anacortes during their stay, and over one-third visit the Farmers Market, demonstrating that marina visitors are highly engaged with the broader community and primed to support a well-positioned waterfront hotel.

WHY INVEST AT THE PORT OF ANACORTES?

Currently, Anacortes faces a notable gap in high-quality waterfront lodging. Despite consistent and growing visitor numbers driven by ferry traffic, marina activity, and regional tourism, there are limited upscale accommodations available. The marina survey found that 40% of boaters chose Cap Sante primarily for its "convenient location," and 11% visited specifically because they "wanted to visit Anacortes" — signaling an audience that is destination-motivated, not merely passing through. A boutique or lifestyle hotel concept that speaks to this traveler profile — one that values walkability to downtown, authentic waterfront character, and proximity to the natural beauty of the San Juan Islands — would directly address this market gap and establish a lasting competitive edge.

The Port of Anacortes is not just a location; it's a partner in economic growth. With a commitment to fostering community development and a clear vision for the future, the Port provides a supportive environment for investors. Its infrastructure spans a deep-water Marine Terminal with three centrally located piers and direct access to the state highway system, alongside Cap Sante Marina with its full suite of guest amenities — from complimentary bikes and on-site laundry to proximity to Anthony's Restaurant and the Anacortes Farmers Market. This alignment between public and private interests ensures that your investment is backed by local expertise and resources, paving the way for long-term success.

Anacortes exudes a genuine charm, characterized by small-town warmth, stunning natural beauty, and an authentic working waterfront. With 98% of marina guests reporting satisfaction with customer service and the majority of boaters exploring downtown on foot during their stays, the community already delivers a remarkable visitor experience — one that a well-conceived hotel could anchor and elevate. Investing in Anacortes means not only capitalizing on a compelling and data-supported economic opportunity, but also becoming part of a vibrant, growing community with a bright future.

WHY INVEST AT THE PORT OF ANACORTES?

Why Now?

The Port of Anacortes is in the midst of a deliberate, community-anchored transformation that makes this an especially timely moment to invest. A multi-year redevelopment initiative is actively underway across the North and West Basins, guided by the Port's Comprehensive Plan and North/West Basin Concept Plan — documents that provide a clear, phased roadmap for sustainable growth and significantly reduce the uncertainty that often accompanies early-stage development. Complementing this, the Transit Shed and Cap Sante Marina Redevelopment Strategy are focused specifically on elevating the waterfront experience, directly aligned with the growing traveler preference for distinctive, place-based destinations. For hotel developers, this means entering a market that is not only growing organically but is being actively shaped and invested in by the Port itself.

Equally important is the environment in which this development is occurring. The Port Authority's proactive stance on economic development — paired with strong community support and established planning frameworks — means new projects benefit from local expertise, infrastructure investment, and institutional backing from the outset. Already in motion, the Event Facility is scheduled to break ground in early 2027.

As Anacortes moves from potential to transformation, the window to establish a first-mover position in quality waterfront lodging is open now, but will not remain so indefinitely. Developers who act in this moment will not simply be building a hotel — they will be defining the hospitality standard for one of the Pacific Northwest's most compelling and fast-evolving destinations.

ANACORTES WATERFRONT IN THE NEWS

City official shares about the partnership on the new event facility:

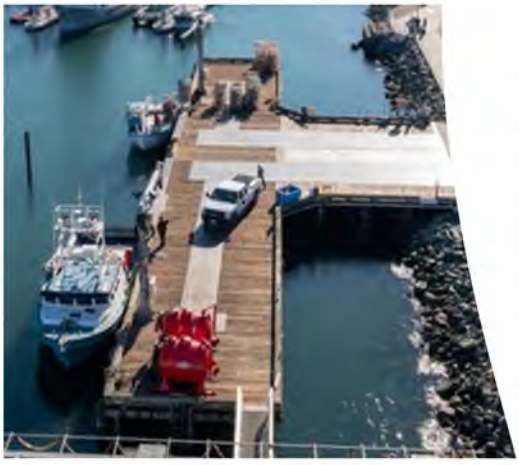
"This project reflects our commitment to building community spaces that support events, bring people together and strengthen our local economy... It's exciting to take another step forward in partnership with the Port to bring this long-standing vision closer to reality."

Matt Miller, Former Mayor of Anacortes

Port Director talks about the West Basin redevelopment area:

"This is a significant opportunity to invest in something that will drive jobs and economic vitality for Anacortes for years to come. We're laying the groundwork for a space that can attract events, draw visitors, and boost activity for our downtown and waterfront."

John Dumas, Port Executive Director



Investing in the Future: Port's Commitment to T Dock Improvements:

"This is a tangible reminder of the Port's investment in developing marina infrastructure that supports our commercial fisheries and maritime trades."

Kevin Anderson,
Port Planning, Projects & Environmental Manager

PROJECT INFORMATION

Pad D is a 1.18-acre hospitality development site at the main entry to Cap Sante Marina, positioned on the prominent corner of Q Avenue and 9th Street with direct frontage across from the planned waterfront park overlooking the marina. Within walking distance of historic downtown Anacortes, the site offers stunning views of Fidalgo Bay and commanding visibility at the gateway to the Port's reimagined waterfront district — making it one of the most distinctive development opportunities on the Puget Sound.

This offering is part of a master planned redevelopment of the Cap Sante Marina waterfront, which will feature a new Event Facility, hotel, two waterfront restaurants, and a mixed-use office/retail building. The Port will deliver road realignment, parking, public park improvements, and overall site infrastructure as part of Phase I. In Phase II, the Port and City anticipate breaking ground on the Event Facility in 2027, with hotel construction to follow shortly thereafter. Restaurant pads A and B are slated for the third phase, with the mixed-use building on Pad F rounding out the buildout. Further site details are summarized below.

Site Features and Entitlements:

- Size: 51,177SF (Parcel Number in progress through Boundary Line Adjustment #BLA -2024-0007)
- Zoning: CM (Commercial Marine) - 50% Lot Coverage Allowance
- Height Limit: 35' height (up to 50' with Bonus Incentives)
- Land Use: Approved Framework Development Plan (FDP)
- Shoreline Permit: Properties within 200' of the Ordinary High Water Mark (OHWM) are subject to the requirements of the City of Anacortes Shoreline Master Program (SMP). Non-water-oriented-uses will be required to obtain a Shoreline Conditional Use Permit.
- Infrastructure: All supporting roads, sidewalks, utilities, and lighting will be in place off-parcel, and is currently being constructed by the Port.

PROJECT INFORMATION

Development Opportunity:
Pad D benefits from significant pre-development work already completed or underway by the Port. The site is governed by an approved Framework Development Plan (detailed in the following pages), and lot boundary adjustments to finalize the new parcels are currently in progress. The redevelopment has broad support from the City of Anacortes and the surrounding community, providing a favorable entitlement environment for prospective developers.

The site's Commercial Marine zoning offers meaningful flexibility, including bonus height incentives that allow hospitality buildings up to 50 feet on the waterfront. Developers will also benefit from reduced parking burdens, supportive public infrastructure, and strong ongoing investment by the Port — advantages that meaningfully de-risk the development process. Pad D is ideally suited for a hotel-anchored mixed-use project that contributes to the long-term vitality of the Anacortes waterfront.

The Port of Anacortes welcomes proposals that align with the master redevelopment vision while bringing innovation, distinct identity, and community-serving uses to this landmark site. Additional project details and requirements are outlined in the pages that follow; supporting due diligence materials, including relevant studies and planning documents, are available at the link provided in this RFP.

Framework Development Plan:
The Port has received an approved Framework Development Plan (FDP) for the overall redevelopment plan. This allows the Port to complete the public infrastructure and road realignment work and provides a more succinct framework for future developers to utilize.

Future development of each phase within the Cap Sante Marina FDP area requires submission of all applicable land use, construction, and building permit applications, with plans demonstrating compliance with city development regulations, engineering standards, and the approved FDP. Prior to commencement of Phase 1 construction, detailed site and landscape plans must be submitted and approved, addressing pedestrian access design, landscaping, and waste storage areas in accordance with Title 19 standards. Each phase must also comply with any conditions of approval issued under applicable local, state, and federal permits.

All future development must remain in substantial conformance with the approved FDP. Minor adjustments are permitted provided they do not significantly alter the project's function, form, intensity, character, or impact on adjacent properties, as determined by the Planning Director. Any substantial modification requires approval of a new or amended FDP.

PROJECT INFORMATION

Lot Boundary Adjustment:
The Port has submitted a Lot Boundary Adjustment to formalize the configuration of the site and is expected to be approved soon, with new parcel numbers assigned.

Parking Requirements:
Parking for hotel guests and employees is intended to be provided within the boundaries of the parcel. The approved Framework Development Plan does include a shared parking management strategy for guests of the marina that will be provided outside of the hotel's site parking. The hotel operator will manage and enforce parking for hotel guests only within the site, and the Port will be responsible for offsite guest parking management and enforcement.

Design Standards and Development Guidelines:
Development must comply with the Anacortes Comprehensive Plan, Shoreline Master Program goals and policies, and the approved Framework Development Plan. Proposals should reflect the following design priorities:

- Street-level engagement: Buildings should feature active, transparent frontages that animate the pedestrian experience along Q Avenue and 9th Street.
- Public activation: Designs should incorporate spaces that invite public use and contribute to the experiential character of the waterfront district.
- Public art: Integration of public art is required at the corner of Q Avenue and 9th Street. Developers are encouraged to coordinate with the Port on this element in conjunction with the monument signage plan.
- Materiality: Materials should be durable, timeless, and regionally grounded, with a nod to the Port's industrial heritage. The adjacent Event Facility incorporates fiber cement panels, standing seam metal roofing, box rib metal siding, expansive glazing, and wood accents. Future development on Pad D should complement and build upon this palette.

All designs will be subject to an internal design review process with the Port of Anacortes, the terms of which will be further outlined in the ground lease.

Event Facility Coordination
The City and Port of Anacortes are jointly developing a new Event Facility directly across the street from Pad D. In recognition of this, proposed hotels should not incorporate a large, standalone event center. Instead, developers are encouraged to program complementary amenities — such as small meeting rooms, a conference center, and catering services — that create partnership opportunities with the Event Facility. Proposals that thoughtfully incorporate these supporting uses will receive additional consideration in the scoring process.

PROJECT GRAPHICS

NORTH/WEST BASIN CONCEPT PLAN

CONCEPT DIAGRAM

Circulation
- Streets
- Tommy Thompson Trail extension
- Tommy Thompson Trail alternate
- Esplanade
- Enhanced intersection & signs

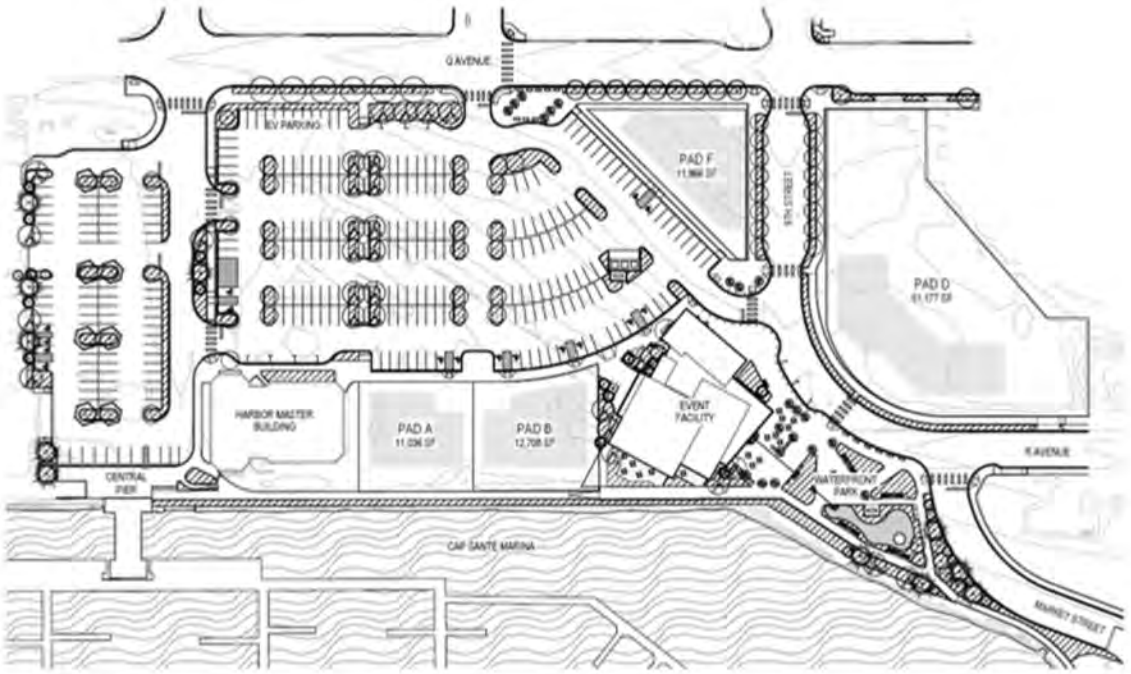
Vegetation
- Lawn or natural ground cover
- Trees or landscaping

Amenities
- Plaza
- Special paving
- Art, viewing, seating, etc.
- RR tracks

Building
- Existing
- Marine-related
- Mixed-use
- Event center or commercial

PROJECT GRAPHICS

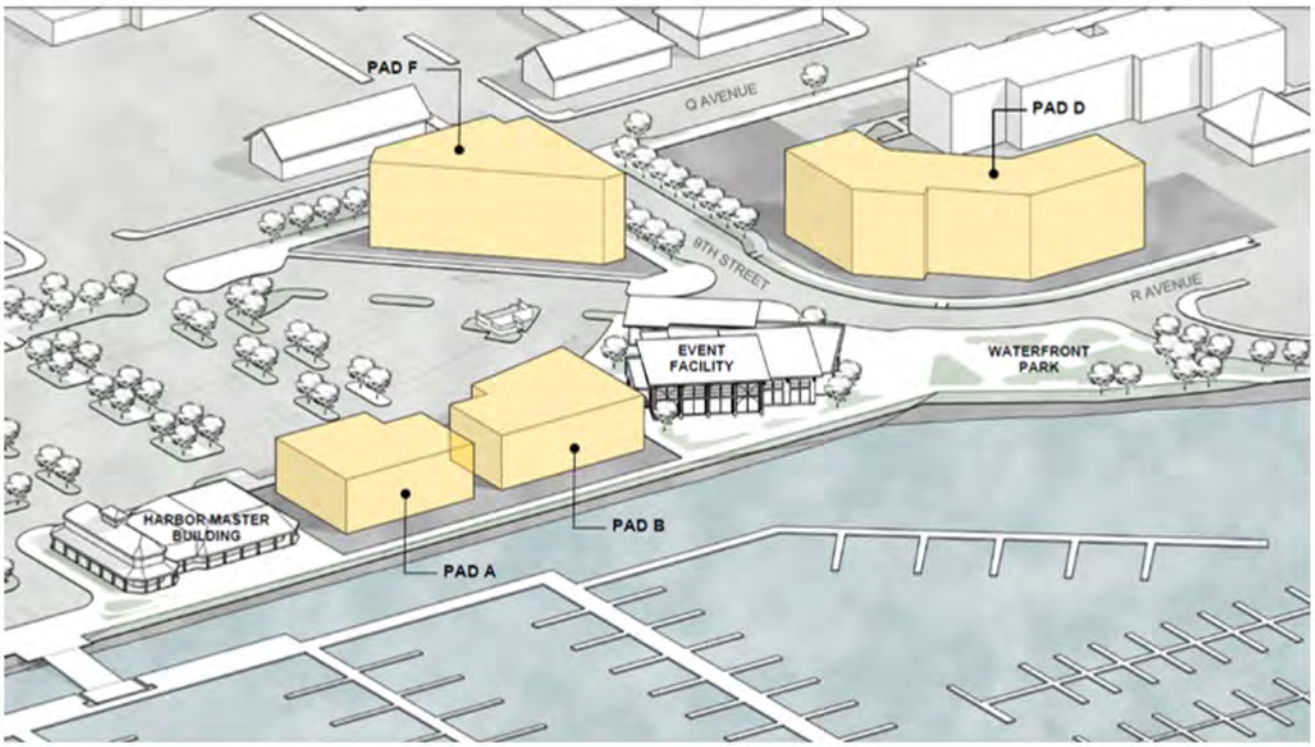
SITE PLAN



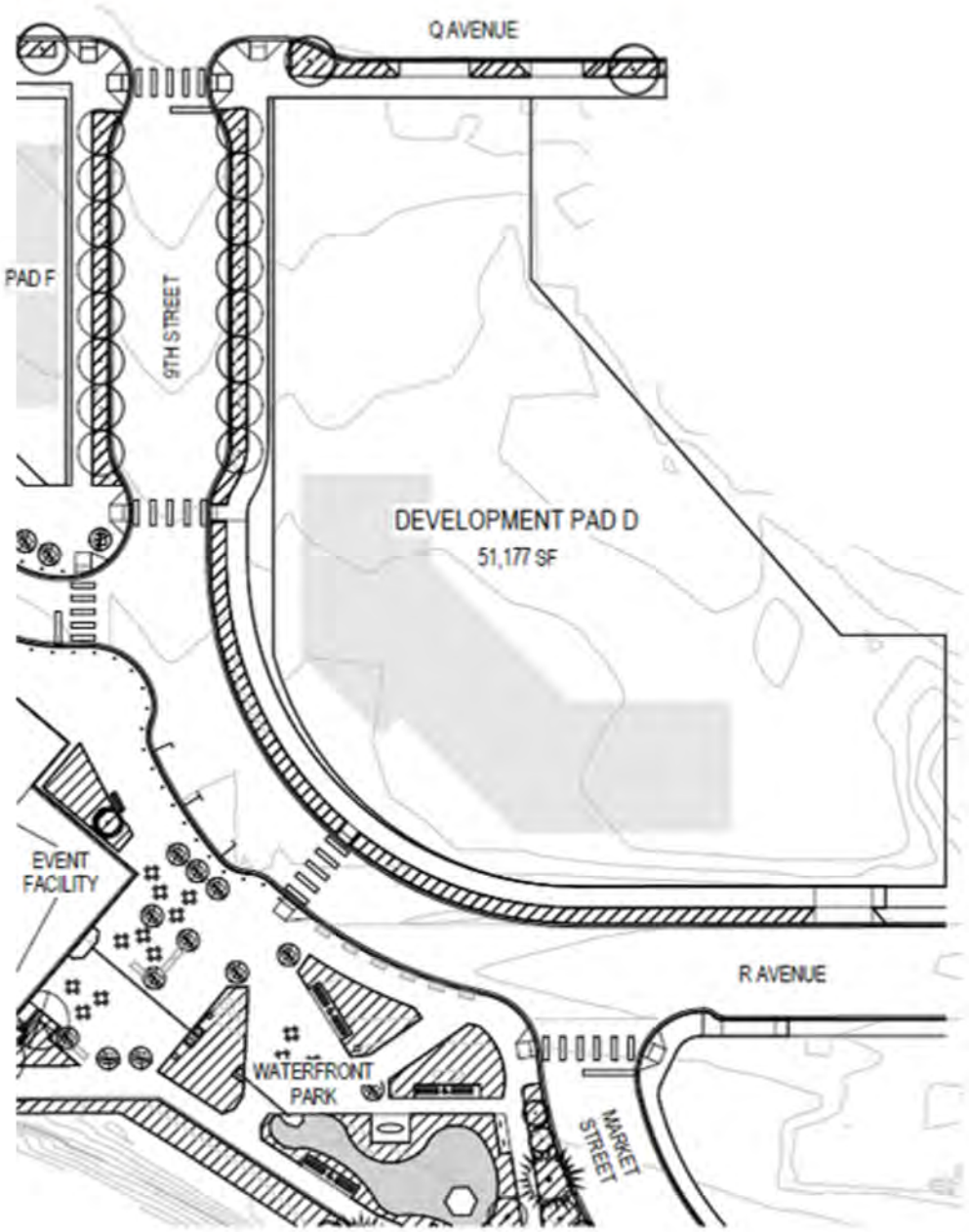
1 West Basin Site Plan

PROJECT GRAPHICS

MASSING PLAN



PROJECT GRAPHICS



1 Development Pad D

PROJECT GRAPHICS

Event Facility Across from Future Hotel (Pad D)

PROJECT GRAPHICS

Event Facility with Parcels A, B and F in the Background

PROJECT TERMS

Ground Lease Term Summary

This opportunity is structured as a long-term ground lease for the development of a hospitality facility on Pad D. Washington State law imposes specific term limitations on Port entities, capping ground leases at 80 years; this is discussed further in the terms outlined below. The Port's desired lease structure and asking rate are detailed in the following section.

Proposers are encouraged to approach both the conceptual design and financial underwriting holistically — to deliver a project that will be successful for generations, provide much-needed overnight accommodation capacity in downtown Anacortes, and contribute to the long-term success of the master planned waterfront district. Proposals should be grounded in defensible design assumptions and market-rate underwriting, and structured to be financeable.

Lease Structure:
The Port of Anacortes will structure the ground lease as a standard triple net (NNN) lease, with base rent calculated on a price-per-square-foot basis derived from the appraised land value at an 8% valuation discount. In addition to base rent, the triple net structure requires the tenant to cover a prorated share of insurance, property management time, and common area maintenance and repairs. Reduced rent considerations will be available during the construction and stabilization periods.

Term:
The lease term will typically range from 50 to 80 years. The initial term cannot be longer than 50 years, and the total term after option periods cannot be longer than 80 years.

Market Rate Adjustments:
Base rent will escalate annually at 2–3%, with market rate resets occurring every 10 to 15 years following the initial lease period to ensure rents remain aligned with prevailing market conditions.

Asking Base Rent Rate: $292,000-$340,000/annually (dependent on final massing and proforma). In your financial proposal, you may propose an alternate rate, but should be prepared to defend why it is necessary to project success if it less than the proposed asking rate.

NNN Rate: Within normal industry standards for this use and location

SUBMISSION REQUIREMENTS

Please use the *Waterfront Hotel Development Opportunity* landing page to register for and submit your proposal.

Landing Page: https://tinyurl.com/RFP-POA

1. Interested parties must register (free of charge) to download the necessary documents for review.
2. All submissions must be PDFs uploaded via the provided link.
3. Include a table of contents with the applicant's name in the header or footer.
4. Financial documents must be marked "Confidential."
5. Use a legible font size of 11 or 12 points.

**Submitters can request that the Request for Proposal be translated into Spanish or another language as needed, upon request.*

Electronic Submission Notes

1. Hard-copy submissions will not be accepted.
2. All proposals and accompanying documents become the property of the Port of Anacortes.
3. Proposals will be electronically dated and time-stamped upon submission. Late submissions will not be accepted, and the Port of Anacortes is not responsible for delays, including technological issues.
4. Files may be uploaded anytime before the deadline, individually or as they are finalized.
5. Large files may take time to upload; allow sufficient time for completion before the deadline. The maximum file size is 10 MB per file. Do not embed documents within uploaded files, as they will not be accessible or considered.

Required Naming Convention

This is the required file naming convention. "**CompanyName-Section Letter**"

Examples:
For Required File "A. Letter of Interest" name your file as such: CompanyName-A
For Required File "E. Contract Comments" name your file as such: CompanyName-E

Technical Support

For technical assistance, contact Kim Combs at kcombs@theschustergroup.com.
Note: The Port of Anacortes does not own or support the Google platform.

SUBMISSION REQUIREMENTS

The following elements must be included in your final RFP Response. Each requirement will have a weighted value toward your final score.

REQUIRED FILE	FILE TYPE	FILE SOURCE
A. Letter of Interest	PDF	Respondent Generated
B. Development Team	PDF	Respondent Generated
C. Key Staff	PDF	Respondent Generated
D. Project Approach	PDF	Respondent Generated
E. Financial Underwriting & Capacity	PDF	Respondent Generated

A. Letter of Interest

1. Provide a letter of interest stating your intentions for development, signed by an authorized principal of the Development Team.

2. Provide a high-level overview of the proposed development and how your company plans to deliver on the vision of the Port's waterfront. Please include your proposed conceptual design assumptions, target demographic, and estimated timeline for completion.

3. Identify why the Port should partner with your firm and what value you will bring to the overall development.

4. Identify the single contact person with title, email address, mailing address, and phone number.

5. Identify any real or perceived conflicts of interest, including the prime, sub-consultants, and key staff members.

6. Provide a statement confirming that the Development Partner's project team will be available and able to negotiate an LOI for approval by the Port Commission before the end of Q3.

SUBMISSION ELEMENTS

B. Development Team Experience

1. Identify the legal structure of the Development Firm (e.g., corporation, partnership, joint venture). Include a copy of your Formation Certificate and Operating Agreement. How many employees does the firm have? How long has the firm been in business, and are they licensed to do business in WA state?

2. Provide an overview of your firm, including: the principal managing the project, consulting team members, and any financial team members assembled to respond to this solicitation. If an architect, contractor, finance partner, or other critical team member has been identified for this project, please include information on the proposed team members and structure. If your team consists of multiple firms, please identify which firm will lead and which firm will act as a sub or limited partner, as well as discuss any prior working relationships.

3. Identify recent experience and expertise with hospitality projects of a similar type to this development. Discuss your experience working with city and county entitlement and permitting agencies, and experience in sustainable certified projects or low impact development (such as LEED, Green Globe, Salmon Safe, Living Building, Built Green, etc).

- Include references from relevant project examples for each product type and note if any of the proposed Key Staff have worked on those projects.

4. Identify the Development Team's pipeline of projects for the next 3-5 years, as well as the gross value of current properties owned.

5. Provide a description of steps taken by the Development Team during any past economic downturn or otherwise softening of the rental market on the project over the last decade. How did you adjust to succeed? Did you have any projects that failed to complete or didn't meet the proforma? How will you mitigate similar risks on this project?

6. Provide information on other projects on which the team's future design, construction, and quality could be based. Note records of working together as a team effectively on other development projects or projects of similar scope and complexity.

- Identify any disputes that have proceeded to litigation, identify each instance where a lawsuit was filed, include the court of jurisdiction, the cause of action, and the filing number, as well as information about the resolution, including settlements, compromises, and judgments. This information shall include instances where the applicant was the plaintiff or the defendant.

SUBMISSION ELEMENTS

C. Key Staff

1. Provide an organizational chart showing the Firm(s) Development Team as well as Key Team members that would work directly on this project.
   - Identify which team members will lead and how the rest of the team members will support the overall project.

2. Provide profiles or resumes of the Key Staff of the Development Team and each Key Team Member who will provide services. Within these profiles/resumes, include a list of past projects and projects currently in progress, including expected completion dates.

3. Indicate whether the Development Team or any team member has ever been terminated from a contract, and if so, describe the circumstances and outcome. List and explain an instance of the debarment of any team member by any governmental entity.

D. Project Approach

1. Identify other ground-leased projects you've worked on and how you approached the deal structure and development. If you have not worked under a ground-leased structure, please share any concerns you may have for Port consideration.

2. Discuss the Development Team's method to accomplish a quality design consistent with the Framework Development Plan and Anacortes Comprehensive Plan.

3. Include a project timeline for design, entitlement, construction, and stabilization.

4. Summarize the assumed services and amenities that will be provided within the building (i.e., room service, catering, meeting rooms, conference center, gym, spa, etc).

5. Discuss ways in which you envision a collaborative partnership between the Event Facility and hotel that will increase the success of both.

6. To illustrate your vision and priorities in action, please provide conceptual materials and a narrative describing your proposed development approach, including:

- Conceptual site plan and massing diagrams
- Preliminary room mix
- Targeted room rate levels
- Parking quantity and type
- Amenities
- Retail Uses (if any)
- One or two precedent images, with a brief explanation of relevance (Optional, but encouraged)

SUBMISSION ELEMENTS

E. Financial Underwriting & Capacity

Demonstrate your financial capacity to complete the project. Summarize any funding requirements, including those related to specific project phases, and explain how guarantees will be provided. At a minimum, please submit the following documentation to support this. Note: Financial information may be subject to public disclosure requests.

1. Proposers shall submit a preliminary development pro forma sufficient to demonstrate financial feasibility and anticipated performance. At a minimum, the pro forma shall include:

- **Development Program Assumptions**
  - Total number of rooms
  - Total gross square footage
  - Common area square footage
  - Parking count and type

- **Development Budget and Sources & Uses**
  Detailed development budget including:
  - Hard costs
  - Soft costs
  - Financing costs
  - Sales tax
  - Contingency
  - Total Development Cost (TDC)
  - Sources and uses summary, including:
    - Equity
    - Debt
    - Other financing sources

- **Operating Pro Forma**
  Minimum ten (10) years operating pro forma, including:
  - Gross income
  - Operating expenses
  - Net Operating Income (NOI)
  - Debt service
  - Net cash flow

  Note: Longer projections (15–20 years) are encouraged.

- **Ground Lease Terms:** Include a summary of the included ground lease terms, including base rent, NNN, construction and stabilized rent rates, annual escalations, and market resets. <u>If your rates are lower than the proposed asking rate, explain why this is necessary for the success of the project.</u>

SUBMISSION ELEMENTS

E. Financial Underwriting & Capacity (Cont.)

2. Attach three (3) years of the firm's most recent GAAP financial statements. The financial statements must include the most current year for which GAAP-prepared financial statements are available. The statements must include an Income Statement as well as a Balance Sheet showing assets, liabilities, and net worth of the entity.

3. Provide a high-level proforma outlining the potential construction and development costs. Describe how you intend to fund the development, and explain how you are capable of successfully doing so. Include a statement indicating how the Development Partner will honor all financial guarantees, should the need arise.

4. Provide a minimum of three (3) references for the Development Partner. References must be relevant to the scope of work as anticipated in this RFP.

5. Developers must submit letters from one or more nationally or regionally recognized lender(s) and investor(s) demonstrating their willingness to accept the applicant's guarantees, net worth, and liquidity as a basis for lending and/or investing, and will indicate if they have funded past projects.

EVALUATION & SCORING

The Port is seeking the most qualified team to build a quality project and a team aligned with the Port's vision and goals for the development. Teams should provide information that allows the Port to understand the team's experience and alignment with the Port's vision, and their ability to meet a schedule that would allow for the most rapid implementation of development. Proposals will be evaluated as follows.

CATEGORY	POINTS POSSIBLE (100 points possible)
Development Team Experience	25
Key Staff	20
Project Approach	30
Financial Underwriting & Capacity	25

EVALUATION PROCESS

All responses timely received will be reviewed to determine compliance with the requirements as specified in the RFP. Proposals will be evaluated and ranked by an evaluation team based on the Evaluation Criteria set forth above and an overall assessment of "best partnership" to the Port. Not all evaluators will have the technical expertise with this type of project; therefore, Proposals should be as clear and complete as possible so that each of the evaluators can adequately understand all aspects of the Proposal.

The Evaluation Criteria reflect a wide range of considerations. The objective is to choose a Respondent who is capable of providing a quality hospitality development that will help the Port achieve the goals and objectives of this master planned redevelopment. In addition to the Respondent's overall experience and competence, the Port wishes to form a partnership with a financially stable, well-managed business organization that it can count on for continued support throughout the duration of the ground lease.

The Port will select the proposal that, in its sole and absolute discretion, is the most advantageous to the Port. The Port reserves the right to make an award without further discussion of, or the opportunity to amend, any of the proposals submitted; there may be no best and final offer procedure or interviews. Therefore, the proposal submitted should provide adequate information on vision and terms. The Scope of Opportunity and any specifications may be altered by the Port of Anacortes at any time, including based on the proposals submitted, and an increase or decrease in the amount, type, or terms of services with the Respondent may be negotiated before final LOI or Lease Execution.

Detailed scoring criteria are outlined in the following pages.

EVALUATION & SCORING

Development Team Experience (25 Points)

1. Relevant Experience (10 Points)

Scored on demonstrated experience with similar hospitality projects, including agency coordination and sustainable development.

2. Team Composition (7 Points)

Evaluates clarity of team roles, firm structure, prior collaborations, project pipeline, and current contract volume.

3. Risk & Litigation History (8 Points)

Considers experience managing market risk, past project performance, and disclosure of litigation or contract terminations.

Key Staff (20 Points)

1. Team Organization (5 Points)

Assessed on the clarity of the organizational chart, leadership roles, and team alignment.

2. Qualifications & Experience (10 Points)

Evaluates resumes, relevant project experience, and capacity of proposed key staff.

3. Terminations & Debarments (5 Points)

Points based on transparency and resolution of any past contract terminations or debarments.

Project Approach (30 Points)

1. Ground Lease Experience (5 Points)

Evaluates experience with ground leases and understanding of public-private deal structures.

2. Design Standards Alignment (4 Points)

Assesses strategies to deliver a high-quality, compliant design consistent with Port standards.

3. Project Timeline (3 Points)

4. Program Assumptions (5 Points)

Scored on clarity of program assumptions and site-specific development needs.

5. Hotel/Event Facility Collaboration (4 Points)

Scored on presentation of partnership opportunities.

6. Project Vision & Conceptual Approach (9 Points)

Evaluates quality, feasibility, and responsiveness of the conceptual design.

Financial Capability (25 Points)

1. Development Proforma (7 Points)

Scored on clarity and feasibility of proforma assumptions, financing structure, and proposed ground lease terms.

2. Financial Strength (6 Points)

Scored on quality of submitted GAAP statements and demonstrated capacity to finance the project.

3. Funding Plan & Guarantees (5 Points)

Evaluates clarity of the funding strategy and guarantee commitments.

4. Lender/Investor Support (4 Points)

Based on letters confirming financing relationships and acceptance of applicant's guarantees.

5. References (3 Points)

ADMINISTRATION INFORMATION

1. CANCELLATION OR POSTPONEMENT OF RFP

The Port reserves the right to cancel the RFP at any time. The Port may change the date and time for submitting Proposals before the date and time established for submittal via addenda.

2. ERRORS IN PROPOSAL

The Port will not be liable for any errors in RFP Responses. Respondents will not be allowed to alter their RFP documents after the deadline for submission. Respondents are liable for all errors or omissions contained in their responses and submissions.

The Port reserves the right to make corrections or amendments due to errors identified in Responses by Port staff or the Respondent. This type of correction or amendment will only be allowed for such errors as typing, transposition, or other obvious errors.

3. RESPONDENT RESPONSIBILITY

When evaluating an RFP Response, the following factors may be considered in determining whether a proposal is the most advantageous to the Port.

- The ability, capacity, and skill of the Respondent.
- The character, integrity, reputation, judgment, experience, and efficiency of the firm.
- Whether the Respondent can perform the contract within the time specified.
- The quality of performance of previous public and private contracts or services, including, but not limited to, the Respondent's failure to perform satisfactorily or complete any written contract. The Port's termination for default of a previous contract with a Respondent shall be deemed to be such a failure.
- The previous and existing compliance by the Respondent with laws relating to the Scope of Work.
- Any evidence of collusion with any other Respondent, in which case colluding respondents will be restricted from submitting further proposals on the subject project and future RFPs.
- The Proposer is not qualified for the work or capable of performing the full extent of the Scope of Work.
- There is uncompleted work with the Port or third parties, or an outstanding dispute on a previous or current contract, that might hinder, negatively affect, or prevent the prompt completion of the work described in the Scope of Work.
- The Respondent, more likely than not, will be unable, financially or otherwise, to perform the work in the Proposal.
- The Respondent at the time of Submission is not authorized or qualified to do business in the State of Washington or otherwise lacks a necessary license, registration, or permit.
- The Respondent has been convicted of a crime arising from a previous public contract, excepting convictions that have been pardoned, expunged, or annulled.
- Such other information having a bearing on the decision to award a contract.
- Any other reason deemed proper by the Port.

ADMINISTRATION INFORMATION

3. RESPONDENT RESPONSIBILITY CONTINUED

- The Respondent has been convicted of a crime of moral turpitude or any felony, excepting convictions that have been pardoned, expunged, or annulled. Proposers should affirmatively disclose to the Port all such convictions, especially of management personnel and project team members or the Proposer as an entity. Disclosure should be made before notice of award or as soon as the Proposer is made aware of such conviction. Failure to make such affirmative disclosure shall be grounds for termination for default after award or execution of the contract at the Port's sole and absolute discretion.

4. CONFLICT OF INTEREST

The Proposer shall fully disclose any relationships or legal matters, or engagements that are now or could in the future be a conflict of interest, including, but not limited to, any positional or issue conflicts of interest in any disputed or non-disputed matter, and shall include such information with their Proposal submittal.

5. CLARIFICATIONS BY THE PORT

The Port reserves the right to request clarification of information submitted by the Respondent, as well as request additional information from any Respondent.

6. COVENANT AGAINST GRATUITIES

The Respondent represents and warrants by submitting a proposal that no gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Respondent or any agent or representative of the Respondent, to any officer or employee of the Port to secure the contract or secure favorable treatment for any determinations concerning the performance of the contract. For breach or violation of this representation and warranty, the Port shall have the right to terminate the contract, either in whole or in part, and any loss or damage sustained by the Port shall be solely borne and paid for by the Respondent.

The rights and remedies of the Port provided in the clause shall not be exclusive and are in addition to any other rights and remedies provided by law or statute, in equity, under the contract, or otherwise.

7. COLLUSION

By signing this RFP, the Respondent certifies that it has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive proposing. If the Port determines, in its sole and absolute discretion, that collusion has occurred among Respondents, none of the Proposals from the participants of such collusion will be considered. The Port's determination shall be final.

8. COOPERATIVE PURCHASING

RCW 39.34 allows cooperative purchasing between public agencies (political subdivisions) in the State of Washington. Public agencies that file an Interlocal Purchasing Agreement with the Port may also wish to procure the solution/services herein offered by the successful party. The successful Respondent shall have the option of extending its offer to the Port to other agencies for the same cost, terms, and conditions.