

Request for Expression of Interest

Purchase of the Grande Cache Municipal Campground

All Expressions of Interest (EOI) must be received by:

4.00pm Friday 29 October 2010

Town of Grande Cache
P.O. Box 300
Grande Cache, AB. T0E 0Y0



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Purpose of the project

The purpose of this project is to determine whether there is interest from private investors to purchase the Grande Cache Municipal Campground to continue to run and operate the facility as a full service, community campground.

Information Contained in This Document

This document is a request for Expressions of Interest (EOI) and provides information for investors wishing to submit an EOI for purchase of the Grande Cache Municipal Campground.

Background

The Town of Grande Cache, Alberta is nestled midway between Grande Prairie and Hinton on Highway 40, the scenic route to Alaska. Sitting high in the front ranges and foothills of the Canadian Rockies, the town is just under a two hour drive from Jasper National Park. Built on a mountain plateau, the town faces south towards the Continental Divide and the pristine Willmore Wilderness Park. An elevation of 4200 feet gives a panoramic view of 21 mountain peaks and 2 river valleys.

The Grande Cache Municipal Campground is currently a Recreation Lease held with Alberta Sustainable Resources Development (SRD), by the Town of Grande Cache. The lease encompasses 64.53 acres of land and is located within town boundaries, east of Highway 40 adjacent to the Grande Cache Golf & Country Club.

The Campground currently offers full service camping annually from May long weekend to October long weekend. The facility boasts 77 treed sites: 55 sites with power, water, and sewage, 22 sites with water and power only. There is an onsite dumping station, laundry facilities, showers, WIFI, and lit roadways. A sheltered cook shack with a newly developed day use area (previous tenting area) is located in the middle of the campground, and in 2008 a playground structure was added to this site.

In 2009 the campground trailer was renovated into the new main administration office, which also includes additional office space in the back for staff. A small gift shop and information display area also compliments the new office space. An ATV compound is budgeted for the 2010 camping season.

Located on Highway 40, the Big Horn Route and most Scenic Route to Alaska, the campground is the only full service site in the area, and therefore sees many visitors during the campground season.

The average seasonal revenue generated from the campground over the past three years has been \$177,500.00 per year. Average visitors to the campground over the past four years have come from Alberta (50%), other Canadian Provinces (19%), United States

(27%), and other, including Overseas (4%). Compared to Alberta provincial-wide tourism statistics, Grande Cache sees a much higher visitation rate from the United States.

Seventy percent of visitors to the Municipal Campground over the past four years were over the age of 50. This is compared to 13% between 40-50 years, 11% between 3-20 years, 5% between 20-30 years, and 3% under the age of 20. Fifty-eight percent of visitors over the past four years travelled as a couple, while 24% travelled with their family, 11% travelled with friends, and 7% were traveling alone.

Requirements for Participation

The Town of Grande Cache is seeking interested investors that have the capacity to operate and further develop the Municipal Campground.

RV camping is popular and increasing, with forecasts suggesting that participation in RV camping will be stronger than ever over the coming years given the affordability of camping and the heavy existing investment in recreational vehicle ownership. Over 20,000 new RV units are sold each year in Alberta. The number of campsites in Alberta designed to meet the current and future RV camping requirements is not sufficient. Many campsites are too small for today's RV.

To be competitive and to meet the needs of increasing demand for RV camping, Alberta operators in all sectors must increase the supply of campsites capable of supporting RV use. There is also a need to investigate the economic feasibility of seasonal campground operations in Alberta.

In order to maintain and compete with the future of RV camping in the next few years, investment in the Municipal Campground will be crucial. From an economic development perspective, the Town of Grande Cache needs to consider alternative approaches to tourism development and promotion, creating the environment for tourism development to succeed rather than trying to operate a campground facility ourselves.

Lease & Infrastructure Background

In order to proceed with a sale, the current Recreation Lease held by the Town of Grande Cache would need to be cancelled at time of transfer, at which time the successful applicant would apply for a Miscellaneous Land Lease (MLL) through Alberta Sustainable Resources Development (SRD). At this time, the investor would be responsible for a legal land survey and provide a security deposit to SRD. This security deposit is based on reclamation costs of the lease area, and is estimated between approximately \$66,500 - \$83,800 (estimate provided by SRD). MLL rent for the Municipal Campground would be approximately \$1,250/year payable to SRD.

Leaseholder would be responsible for all utilities (gas, water, power). No municipal taxes.

An appraisal on all included infrastructure will be completed by the Town of Grande Cache to set a reserve bid for the facility.

Scope

Expressions of Interest are due to the Town of Grande Cache by October 29, 2010. If successful expressions of interest are received and Town Council wishes to proceed, a call for Request for Proposals will follow in November 2010 to successful EOI's only. Favourable applicants would be notified in March 2011 with an anticipated transfer of sale date for April 2011.

Project Time Line

	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April
Request for EOI									
Call for RFPs (if required)									
RFP Review Process									
Winning RFP Announced									
Transfer of Sale									

Selection Criteria

Interested parties should apply using the template in Appendix A. The following criteria will be used when choosing a successful applicant.

The Expression of Interest should:

- Criterion 1:** Demonstrate your desire to contribute to the growth of tourism development in Grande Cache and play a part in our thriving economy.
- Criterion 2:** Demonstrate an understanding and passion for community development and community partnerships.
- Criterion 3:** Demonstrate your willingness to develop partnerships and to work collaboratively with other tourism operators.
- Criterion 4:** Provide evidence of business knowledge and experience.
- Criterion 5:** Provide evidence of your readiness and availability to take over the campground facility, including financial commitment.

Selection Process

EOI will be evaluated against the indicated criteria listed above. All applicants will be advised in writing of the outcome of the selection process. A call for Request for Proposals will be send to successful EOI's in November 2010.

Submission of Expressions of Interest

Proponents wishing to submit an EOI should use the template provided in Appendix A.

All EOIs should be addressed to:

Town of Grande Cache
Department of Economic Development & Tourism
Box 300, 10001 Hoppe Ave.
Grande Cache, AB. T0E 0Y0
Att: Darren Ottaway, Chief Administrative Officer

Please note:

- The EOI should be received at the above address by **4pm, 29 October 2010**.
- The Town of Grande Cache will not accept late or incomplete EOIs.

Requests for Further Information

For information regarding the expression of interest process please contact Darren Ottaway, Chief Administrative Officer at Darren.ottaway@grandecache.ca or 780-827-3362 ext. 26.

Checklist for Submission

1. Submission has been completed using the EOI Template (See Appendix A) or in the format indicated in the EOI Template.
2. Supporting information, if any is attached.

Appendix A: Expression of Interest (IOE) Template

Purchase Lease of the Grande Cache Municipal Campground

Investor Details

Name:	
Contact Person: <i>(if different than above)</i>	
Address:	
Phone Number:	
E-Mail Address:	

Expression of Interest (IOE) – Part 2

Criteria Response

Criterion 1: Demonstrate your desire to contribute to the growth of tourism development in Grande Cache and play a part in our thriving economy.

Issues to consider or include:

- Demonstrated understanding of the *Town of Grande Cache 20/20 Vision of the Future* regarding tourism development
- Evidence of interest to support the Grande Cache 20/20 Vision and maintain the campground as a strong tourism product for our community
- Evidence of knowledge of the Grande Cache tourism industry and future goals of the community
- Acknowledgement that the Town values its tourism industry and its importance to the local economy

(insert response here)

Expression of Interest (IOE) – Part 2

Criteria Response

Criterion 2: Demonstrate an understanding and passion for community development and community partnerships.

Issues to consider or include:

- Identify your willingness and plans to contribute to the community of Grande Cache
- Demonstrate local economic and employment benefit
- Provide examples of potential community partnerships you would pursue and/or maintain
- Identify your commitment to environmental stewardship to maintain and protect our pristine wilderness environment

(insert response here)

Expression of Interest (IOE) – Part 2

Criteria Response

Criterion 3: Demonstrate your willingness to develop partnerships and to work collaboratively with other tourism operators.

Issues to consider or include:

- Provide examples of potential partnerships you would pursue and/or maintain with local tourism operators
- Identify how you would work together with other operators to promote Grande Cache
- Provide evidence to support your knowledge of local Grande Cache tourism operators and their business

(insert response here)

Expression of Interest (IOE) – Part 2

Criteria Response

Criterion 4: Provide evidence of business knowledge and experience.

Issues to consider or include:

- Explain your knowledge and experience with campground operations and/or provide evidence of your understanding of campground operations
- Provide evidence of a good understanding of the environment and context in which the Grande Cache Municipal Campground operates
- Identify goals and plans to expand and/or enhance campground

(insert response here)

Expression of Interest (IOE) – Part 2

Criteria Response

Criterion 5: Provide evidence of your readiness and availability to take over the campground facility, including financial commitment.

Issues to consider or include:

- Identify your commitment and availability to take over campground operations for the 2011 camping season
- Identify your commitment to pay for legal survey of campground, security deposit on lease, yearly lease rent, and investment towards current campground infrastructure within time provided in IOE.

(insert response here)